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28th February, 1955 (Monday)

LOK SABHA DEBATES

(Part I—Questions and Answers)

सत्यमेव जयते

(Vol. I contains Nos. 1—20)

LOK SABHA SECRETARIAT
NEW DELHI

FOUR ANNAS (INLAND) ONE SHILLING (FOREIGN)

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LOK SABHA

Monday, 28th February, 1955

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

देहाती क्षेत्रों में मनिआर्डरों का वितरण

*२८२. **श्री भक्त दर्शन** : क्या संचार मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार को यह शिकायत मिली है कि अनेक ग्रामीण डाक घरों में मनीआर्डर बहुत लम्बा समय बीत जाने पर वितरित किये जाते हैं ; और

(ख) यदि हां, तो इस परिस्थिति में सुधार करने के लिये कौन कौन से विशेष उपाय किये गये हैं ?

संचार उपमंत्री (श्री राज बहादुर): (क) जी, हां, कहीं कहीं ।

(ख) (१) जहां-कहीं आवश्यक हो गांव में डाकिए को कई बार भेजा जाय ।

(२) छोटे डाक-घरों की आर्थिक स्थिति में सुधार किया जाय ।

(३) जहां-कहीं ब्रांच पोस्टमास्टरों के कार्य में शिथिलता पाई जाय वहां अधिक निगरानी की जाय ।

श्री भक्त दर्शन : क्या माननीय मंत्री महोदय ने इस सुझाव पर भी विचार किया है कि मनीआर्डरों के वितरण में देरी होने का एक मुख्य कारण यह है कि एक्सट्रा डिपार्टमेंटल एजेंटों व पोस्टमैनों को बहुत कम परिमाण में रुपये ले जाने का अधिकार है, इसलिये उनसे और अधिक जमानत लेकर भी उन्हें विभागीय पोस्टमास्टरों व पोस्टमैनों के बराबर रुपये ले जाने का अधिकार दिया जाय ?

श्री राज बहादुर : एक विलेज पोस्टमैन कुल २५० रुपये की रकम के मनीआर्डर ले जा सकता है, उसमें भी कोई मनीआर्डर ५० रुपये से ज़्यादा का वह नहीं ले जा सकता है । उनको ज़्यादा रकम दिये जाने में जो एक सबसे बड़ी समस्या है, वह है उनको सुरक्षा की, इसलिये इस पर विचार अभी दुशवार है ।

श्री भक्त दर्शन : क्या माननीय मंत्री महोदय के ध्यान में यह बात भी आई है कि कई एक्स्ट्रा डिपार्टमेंटल सब व ब्रांच पोस्ट आफिसों के पोस्टमास्टर मनीआर्डरों के रुपये अपने व्यापार में लगा देते हैं और फलस्वरूप ग्रामीणों को बहुत देर से वे मनीआर्डर वितरित किये जाते हैं, क्या इस प्रकार के दोषी पोस्टमास्टरों के विरुद्ध कोई विशेष कार्यवाही की गई है या कार्यवाही करने का विचार किया जा रहा है ?

श्री राज बहादुर : ऐसी शिकायत विशेष रूप से कोई नहीं मिली, यदि माननीय सदस्य के नोटिस में कोई ऐसी शिकायत आई हो और मुझ तक भिजवाने की कृपा करेंगे, तो मैं बड़ा आभारी हूंगा ।

Shri T. B. Vittal Rao: May I know if it is a fact that there are three lakhs of villages in India where the mails are delivered only once in a week and so, in such places, what is the average time taken to deliver money orders?

Shri Raj Bahadur: About a couple of years ago, there were thousands and thousands of villages—I think about a lakh or so —where the postmen never went or never visited them. They were known as 'no dak' villages. We have now eliminated these 'no dak' villages and there is now not a single village anywhere in the country which the postman does not visit at least once a week.

CENTRAL TRACTOR ORGANISATION

*284. **Shri Dabhi:** Will the Minister of **Food and Agriculture** be pleased to refer to the reply given to Starred Question No. 1002 on the 10th December, 1954 and state:

(a) whether Government have since taken any decision on the various recommendations on the working of the Central Tractor Organisation made by the Estimates Committee in their Seventh Report; and

(b) if so, the nature of the decisions taken?

The Minister of Agriculture (Dr. P. S. Deshmukh): (a) and (b). Government have not yet completed examination of the Report. The matter is expected to be finalised very shortly.

Shri Dabhi: May I know the approximate time that the Government will take for examining the matter and arriving at a conclusion?

Dr. P. S. Deshmukh: I expect it would not take more than about two weeks.

सेठ गोविन्द दास : इसमें कितने ट्रैक्टर ऐसे हैं कि जो अतिरिक्त हिस्सों के न मिलने कारण बेकाम पड़े हुए हैं और इन अतिरिक्त हिस्सों को प्राप्त करने के लिये क्या प्रयत्न किया जा रहा है ?

डा० पी० एस० देशमुख : शायद मेम्बर साहब को मालूम होगा कि मैंने इसका जवाब चन्द रोज हुए दिया था, पिछले सेशन में दिया था कि फिलहाल सेंट्रल ट्रैक्टर आरगनाइजेशन में कोई ऐसा ट्रैक्टर नहीं हैं जो हम इस्तेमाल नहीं करते हैं, जो हमें सरप्लस हैं या काम में नहीं आ सकता है वह हमने डिस्पोजल की तरफ भेज दिये हैं ।

श्री गिडवानी : क्या माननीय मंत्री को मालूम है कि सेंट्रल ट्रैक्टर आरगनाइजेशन के गोदाम में कई ट्रैक्टर पड़े हैं जो धूप में और वर्षा में पड़े हैं, किसी काम में आने वाले नहीं हैं और जंग भी लगा हुआ है ?

डा० पी० एस० देशमुख : यह शायद हालत चन्द दिनों के पहले थी । जहां तक मुझे इल्म है, अब ऐसा नहीं है ।

Shri Kelappan: May I know if any amounts from the State Governments have been collected since 31st March, 1954?

Dr. P. S. Deshmukh: I would like to have notice.

AGREEMENT WITH AUTOMATIC TELEPHONE AND ELECTRIC COMPANY LTD.

*285. **Shri Jhulan Sinha:** Will the Minister of **Communications** be pleased to state whether any action has been taken on the suggestions made by the Public Accounts Committee to get the agreement with the Automatic Telephone and Electric Company Ltd. revised in respect of the points enumerated by the Committee in their Tenth Report?

The Deputy Minister of Communications (Shri Raj Bahadur): A statement is laid the Table of the Lok Sabha. [*See* Appendix II, annexure No. 34].

Shri Jhulan Sinha: In view of the remarkes against item 3 of the statement, namely, "This will be kept in view while entering into such agreements in future", may I know if it is not possible to have this clause revised in the agreement itself?

Shri Raj Bahadur: The agreement was concluded as early as 1943, and any modification therein can be effected only by mutual agreement of both the parties. It is not quite certain whether the other party would agree to it now, at this late stage.

U.S. COMMERCIAL PLANES IN INDIA

*286. **Shri T. B. Vittal Rao:** Will the Minister of **Communications** be pleased to state:

(a) whether it is a fact that negotiations are going on between the Governments of India and the United States for the operation of U.S. Commercial planes in India; and

(b) if so, at what stage the negotiations are at present?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) and (b). The Indo-U.S. Air Transport Agreement concluded in 1946 was terminated with effect from January 15, 1955. Pending conclusion of a new agreement, the two U.S. airlines, *viz.* Transworld Airlines and the Pan Amrican world Airways System which had been operating under the 1946 Agreement have been issued temporary permits, valid for a period of one year under which they operate two frequencies a week each. No proposals have yet been received from the U.S. Government for the resumption of negotiations for the conclusion of a fresh air agreement.

Shri T. B. Vittal Rao: May I know whether the two services which are now operating carry fifth freedom traffic even now?

Shri Raj Bahadur: So far as fifth freedom is concerned, they can bring it to whichever port they touch, that is, either to Bombay or Delhi or Calcutta, only one port.

Dr. Ram Subhag Singh: May I know when the permit is going to be terminated?

Shri Raj Bahadur: The period of the permit is one year.

Dr. Ram Subhag Singh: May I know whether any negotiations were held between the Ministry of Communications and the Charge d'Affairs of the United States Government, and whether any proposal was put forward for the negotiations?

Shri Raj Bahadur: Negotiations took place, but unfortunately, they started very late, as late as November, 1954, and therefore, no satisfactory agreement could be arrived at between the parties and naturally, therefore, only provisional arrangements by way of issuing these temporary authorisations have been made.

Dr. Ram Subhag Singh: Is it true that the Government of India was awaiting a formal offer by the Government of the United States for a fresh agreement, and if that offer was not made, may I know on what grounds this new permit was issued.

Shri Raj Bahadur: It has been correlated with the third and fourth freedom traffics and the traffic which emanate from such countries where our services do not touch.

These temporary authorisations have put the country in comparatively an advantageous position in so far as the frequencies of U.S. air services have been reduced. Apart from this, whereas those U.S. services were formerly touching both Delhi and Calcutta, now, they can only touch one airport: Bombay, Delhi or Calcutta.

LADY HARDINGE HOSPITAL

*287 **Shri V. P. Nayar:** Will the Minister of **Health** be pleased to state:

(a) the strength of doctors working in the Maternity Department of the Lady Hardinge Hospital, New Delhi;

(b) the scales of pay applicable to them;

(c) how many of them are on duty at a time in the out-patients' and in-patients' wards;

(d) whether they have been able to cope with the number of patients coming in; and

(e) if not, the steps taken to increase their strength?

The Deputy Minister of Health (Shrimati Chandrasekhar): (a) and (b). A statement is laid on the Table of the Sabha. [*See* Appendix II, annexure No. 35].

(c) Five or six doctors are on duty in the Out-patients' department and the rest in the in-patients' wards.

(d) Yes

(e) Does not arise.

Shri V. P. Nayar: I find from the statement given that only five regular doctors are attached to the maternity department. Could I know the average number of maternity cases admitted per day in the Lady Hardinge Hospital?

Shrimati Chandrasekhar: I do not know about the number of patients admitted per day. But there are 214 beds.

Shri V. P. Nayar: Is it a fact that the same doctors who were to function in the teaching side as well as on the medical side, have been posted every day for simultaneous duty in the maternity ward and in the out-patient ward?

Shrimati Chandrasekhar: I would require notice.

Shri V. P. Nayar: May I know whether any complaints have been received that maternity cases are discharged in about a few hours after the confinement takes place, and that doctors who are available, being very heavily overworked, do not get time enough to go to the patients and attend to their needs?

Shrimati Chandrasekhar: I do not remember any such cases. But if any such case comes to the notice of the Ministry, it will be taken into consideration.

LATE RUNNING OF TRAIN

*289. **Shri A. N. Vidyalankar:** Will the Minister of Railways be pleased to state the percentage of the late runnings of the trains in the country and how India stands in this respect in comparison to other countries?

The Deputy Minister of Railways and Transport (Shri Alagesan): The percentage of trains running late to the total number of trains run on the Indian Railways has generally fluctuated between 16 and 25. Comparative figures for foreign countries are not available.

Shri A. N. Vidyalankar: Is the Minister aware of the fact that while in China, if a train runs only half an hour late it is termed as a major accident, in India, our officials do not take late-running seriously and rather take it very lightly

Shri Alagesan: Some of the hon. Members who had the good fortune to visit China have been telling like that. But conditions vary in India: especially in the summer season these trains are bound to lose time, because of water scarcity. These things have been explained on the floor of the House previously. I am now glad to inform the House that during the latter half of last year, that is 1954, things have improved.

Shri A. N. Vidyalankar: May I know what steps are being taken to remove these late runnings of trains?

Shri Alagesan: Instructions have been issued to the Railways to treat late runnings seriously and take action wherever necessary; also to provide in advance in anticipation of water scarcity in summer season, water facilities in those sections.

Shri Bansal: May I know if the Railway Minister is aware as to what is the penalty meted out in China in case of such a 'major' accident happening there?

Shri Alagesan: I do not think there is any Parliament functioning in China.

DACOITIES ON NORTHERN RAILWAY

*291. **Shri D. C. Sharma:** Will the Minister of Railways be pleased to state the number of dacoities that took place on the Northern Railways during the period from the 1st January to the 31st December, 1954?

The Deputy Minister of Railways and Transport (Shri Alagesan): Three.

Shri D. C. Sharma: May I know if in point of dacoities, 1954 was an exceptional year, or a normal year?

Shri Alagesan: I think it was a normal year, because in the previous year too we had the same number, namely three.

Shri D. C. Sharma: May I know, Sir, where these dacoities took place and what was the loss incurred?

Shri Alagesan: I have got the details of the three dacoities. They took place at Dharampur Halt, Atrauli and between Beas and Dhilwan.

Shri D C. Sharma: What action was taken so far as the dacoity at Beas-Dhilwan was concerned?

Mr. Speaker: I am afraid it is not the concern of the Railways.

Shri D. C. Sharma: I want to know what measures the Railway Ministry took to trace those dacoits, with the help of the Police?

Shri Alagesan: I am afraid it is a matter for the State Governments.

Pandit D. N. Tiwary: Is it a fact that the highest number of dacoities takes place in the N.E. Railway and passengers are always afraid of travelling by the trains on that railway?

Shri Alagesan: I do not know the position in Bihar, but the question refers to the Northern Railway.

EXPRESS GOODS TRAINS

*292. **Shri Gidwani:** Will the Minister of Railways be pleased to state:

(a) whether it is a fact that Express Goods Trains have been introduced on some of the Railways; and

(b) if so, whether it is proposed to extend the same facilities on other Railways also?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). Express Goods train services have been introduced on all the Railways.

Shri Gidwani: What saving of time in transit will be effected by the introduction of these express goods trains?

Shri Alagesan: Certainly these express goods trains run to scheduled time, and the time taken by them is much shorter. I am not able to give the actual difference between the two; it may vary.

Shri U. M. Trivedi: May I know, Sir, if the average speed per hour of the goods trains is still lesser than what it was in the year 1938-39, both on broad gauge and metre gauge.

Shri Alagesan: I do not have the figures between 1938-39 and now. It is true that during the past two years, goods trains have been losing speed. We are trying to improve matters.

Shri Heda: What is the difference in transit time per thousand miles as between ordinary goods trains and express goods trains?

Shri Alagesan: I have already answered that it is not possible to give the time.

Shri Chattopadhyaya: May I know whether extra freight is charged on goods sent by these trains?

Shri Alagesan: No, Sir.

USE OF FOREIGN DRUGS

*294. **Shri S. C. Samanta:** Will the Minister of Health be pleased to state:

(a) whether it is a fact that some foreign drugs which are still in the experimental stage are being used by Indian doctors in India;

(b) whether this fact has been pointed out to Government;

(c) if so, what are the drugs referred to; and

(d) what steps Government propose to take in the matter?

The Deputy Minister of Health (Shrimati Chandrasekhar): (a) Government have no information.

(b) No.

(c) and (d). Do not arise.

Shri S. C. Samanta: With reference to the answer to part (a) of the question, may I know whether Government's attention has been drawn to a report published in the *Amrita Bazar Patrika* of 30th December last?

Shrimati Chandrasekhar: I have no information.

Shri S. C. Samanta: May I know whether drugs of doubtful efficacy whose sale was stopped are introduced in another name?

Shrimati Chandrasekhar: There may be spurious drugs, but they are not imported without the permission of the Drugs Controller.

Shri S. C. Samanta: May I know what is the machinery existing for checking the sale of these drugs?

Shrimati Chandrasekhar: We are bringing in a Drugs (Amendment) Bill which may put an end to the sale of these spurious drugs.

Shri S. C. Samanta: Is it a fact that doctors try to by-pass import restrictions by getting drugs from foreign countries by post.

The Minister of Commerce (Shri Karmarkar): I shall be very happy to answer that question on notice.

CENTRAL WATER SUPPLY BOARD FOR RAJASTHAN

***296. Shri Heda:** Will the Minister of Health be pleased to state:

(a) whether there is any proposal to constitute a Central Water Supply Board for Rajasthan independently or jointly with the Rajasthan State Government;

(b) if so, what are its objects; and

(c) its target and estimated expenditure?

The Deputy Minister of Health (Shrimati Chandrasekhar): (a) The Rajasthan Government have constituted a Rajasthan Water Supply Board independent of Central agency.

(b) Its object is to improve existing rural drinking water supply sources and to construct new ones.

(c) A sum of rupees one crore has been provided in the First Five Year Plan for the Board.

Shri Heda: What is the aid that is given to this Board in Rajasthan by the Central Government?

Shrimati Chandrasekhar: We have no further information from the Rajasthan Government about this Board and we have not given any grant from the Central Government.

Shri Heda: Have the Government any target, just as they have in the Posts and Telegraphs Department, that drinking water supply arrangements should be made in all the villages, say, with a population of 2,500?

Shrimati Chandrasekhar: Does this question arise?

Shrimati Kamlendu Mati Shah: Is it true that in Delhi drinking water supply, especially in Old Delhi, is very defective?

Shrimati Chandrasekhar: I have no information.

PROCESSING OF AGRICULTURAL COMMODITIES

***297 Shri Morarka:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether Government have considered the recommendation of the Committee of Direction in their Report on Rural Credit Survey that the State Governments should take steps to license all plants, factories and mills which are engaged in the processing of agricultural commodities or in related activities; and

(b) if so, the action taken thereon?

The Minister of Agriculture (Dr. P. S. Deshmukh): (a) The recommendations made by the Committee of Direction in the All India Rural Credit Survey Report are under consideration.

(b) Does not arise.

Shri Morarka: Have Government made any survey of such plants, where they exist and for what purposes they could be utilised?

Dr. P. S. Deshmukh: I am not aware of any survey made by Government. It will depend upon the report of this Committee.

Shri Morarka: Is it the policy of Government to give any subsidy to the marketing societies to secure such plants?

Dr. P. S. Deshmukh: That is one of the things which may be determined on receipt of the report.

Shri S. N. Das: May I know whether the opinion of the various State Governments has been invited with regard to the report in general?

Dr. P. S. Deshmukh: The report was first presented to the Reserve Bank and it has now come to the Finance Ministry and we are examining the recommendations. We propose to call a meeting of the Ministers of Cooperation this month or next month. That is the procedure we propose to follow for consultation.

WORLD FORESTRY CONGRESS

***298. Pandit D. N. Tiwary: Will the** Minister of **Food and Agriculture** be pleased to state:

(a) whether the World Forestry Congress held in the second week of December, 1954 was convened by Government;

(b) the names of the countries which had sent their representatives; and

(c) whether any definite scheme was formulated to give impetus to afforestation?

The Minister of Agriculture (Dr. P. S. Deshmukh): (a) The Fourth World Forestry Congress sponsored by the F.A.O. was held at Dehra Dun in December, 1954 at the invitation of the Government of India.

(b) A list showing the names of countries who sent their representatives is placed on the Table of the Lok Sabha. [*See* Appendix II, annexure No. 36.]

(c) No definite schemes were formulated by the Congress, but several recommendations dealing with afforestation and allied topics were framed by it for the consideration of the various Governments.

Pandit D. N. Tiwary: May I know whether any scheme was formulated at this Congress for afforestation in the desert area?

Dr. P. S. Deshmukh: That was also one of the subjects considered and the Congress has put down general recommendations.

Pandit D. N. Tiwary: What was the expenditure incurred by the Government of India on this Congress?

Dr. P. S. Deshmukh: In the total I think it was about a lakh of rupees, but we probably got a major portion of it by way of fees.

Shri N. M. Lingam: May I know if as a result of the recommendations of the Congress there is a necessity for a change in the forest policy of the Government and, if so, to what extent?

Dr. P. S. Deshmukh: No, Sir. There is no necessity of changing the forest policy. We were one of the first countries in the world to lay down a good forest policy. There might be certain modifications needed here and there.

Shri V. P. Nayar: May I know whether at this Congress any definite scheme was discussed and formulated regarding protective afforestation which can be introduced in arid zones?

Dr. P. S. Deshmukh: I am not in a position to reply to the question offhand, but the Congress dealt comprehensively with all outstanding questions in which some recommendation or opinion would be useful to member countries.

GLIDING SECTION OF FLYING CLUBS

***299. Shri Sarangadhar Das:** Will the Minister of **Communications** be pleased to state:

(a) whether any decision to attach a gliding section with every flying club was taken recently at a conference of Civil Aviation Authorities;

(b) if so, whether the scheme has been finalised;

(c) the main advantages of these sections; and

(d) whether any grant is proposed to be given to the flying clubs for this purpose?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) to (d). The reference presumably is to the recent conference of flying clubs at which a suggestion was made by the representatives of the clubs that the gliding activities should be attached to the flying clubs. The suggestion is being examined by the Director General of Civil Aviation.

Shri Sarangadhar Das: May I know if the Orissa Flying Club will have a gliding section?

Shri Raj Bahadur: In regard to the present proposals which are being implemented by Government, we are going to have two more Gliding Clubs, one at Allahabad and the other at Bangalore. For the moment that decision of the recent conference of the Flying Club representatives is under the consideration of Government.

Shri Jaipal Singh: May I know how long it will take to arrive at a decision?

Shri Raj Bahadur: It will be taken in due course.

Shri G. S. Singh: May I know whether Government has come to a decision regarding the purchase of whinches for lunching gliders?

Shri Raj Bahadur: That is a part of our normal programme. We have a gliding adviser attached to the D.G.C.A. and he advises us on such matters. For the two new Gliding Clubs that we are establishing at Allahabad and Bangalore, we are going to buy all necessary equipment.

INTERNATIONAL LABOUR CONFERENCE

***302. Shri Ibrahim:** Will the Minister of **Labour** be pleased to state:

(a) whether Government propose to send any Delegation to attend the 38th Session of the International Labour Conference which will open in Geneva on the 1st June, 1955;

(b) if so, the names of the members of the Delegation; and

(c) how much amount is estimated to be spent on this Delegation?

The Deputy Minister of Labour (Shri Abid Ali): (a) Yes.

(b) The matter is under consideration.

(c) Rs. 68,000/-.

Shri Ibrahim: May I know how many resolutions and decisions arrived at in the International Labour Conferences have been given effect to so far in India?

Shri Abid Ali: Whenever Government takes a decision with regard to the conventions and resolutions passed at the I.L.O., informtaion is placed on the Table of the Sabha.

Shri Chattopadhyaya: May I know whether the membership of the various

Central trade union organisations has been verified?

Shri Abid Ali: Yes, Sir. There are four Central trade union organisations, namely the Indian National Trade Union Congress, the U.T.U.C., the All India Trade Union Congress and Hind Mazdoor Sabha. These organisations were requested to submit the lists of their affiliated unions, their addresses, etc. The I.N.T.U.C. and U.T.U.C submitted the lists in time. The A.I.T.U.C. submitted the list long after the verification had been done, and the Hind Mazdoor Sabha has not submitted it yet.

Shri Chattopadhyaya: Will the Delegation be representative of all the Central trade union organisations or will it be limited to the most representative organisations?

Shri Abid Ali: According to Article 3(5) of the I.L.O. constitution, we have to consult the Central trade union organisations, and if they submit an agreed list that has to be accepted by Government. Otherwise the recommendation of the more representative organisations of the workers in India is accepted.

ASTRONOMICAL OBSERVATORIES

Shri K. C. Sodhia: Are the results Minister of Communications be pleased to state:

(a) the number of astronomical observatories which exist in India at present and the places of their location; and

(b) whether it is contemplated to open any more observatory in the near future?

The Deputy Minister of Communication (Shri Raj Bahadur): (a) One at Kodaikanal under the India Meteorological Department and one at Hyderabad under the Government of Hyderabad.

(b) It is proposed to establish in Northern India a Central Astronomical Observatory equipped with modern telescopes and accessories at a suitable site to be decided upon after due investigations, when funds and equipment become available.

Shri K. C. Sodhia: Are any experiments being conducted to determine the suitability of Ujjain as the proposed Centre for an observatory?

Shri Raj Bahadur: Yes, observations on the seeing conditions have been going on at Ujjain for more than a year.

Shri K. C. Sodhia: Are the results encouraging?

Shri Raj Bahadur: That will depend upon the opinion of the experts.

Kumari Annie Mascarene: May I know whether the hon. Minister is aware of an observatory at Trivandrum and the condition in which it is?

Shri Raj Bahadur: That may be under the Government of Travancore-Cochin.

Shri S. N. Das: May I know whether Government is aware whether any Indian Universities maintain such observatories?

Shri Raj Bahadur: That information is not readily available. May be they are maintaining.

श्री भक्त दर्शन : क्या मैं जान सकता हूं कि यह जो वेधशालाएं बनाई जाने वाली हैं इन के सिलसिले में जयपुर और दिल्ली में जो पुरानी वेधशालाएं हैं, क्या उनको भी उपयोग में लाने का विचार किया जा रहा हैं ?

श्री राज बहादुर : प्राचीन प्रणाली में और वर्तमान प्रणाली में काफी अन्तर आ चुका हैं। टॅलीस्कोप विभिन्न प्रकार के बन चुके हैं जो अपने काम में काफी कुशल हैं। इसलिए मैं नहीं कह सकता कि इन पुरानी वेधशालाओं का उतना ही उचित ढंग से उपयोग हो सकता हैं जितना कि आधुनिक यन्त्रों के द्वारा।

INDIAN SHIPPING

***306. Shrimati Renu Chakravartty:** Will the Minister of **Transport** be pleased to state:

(a) whether it is a fact that Indian Shipping Companies operating in overseas trades are handicapped by the rules and regulations of the Conference Lines;

(b) if so, what are the rules and how they affect the Indian Shipping Companies; and

(c) what steps Government propose to take to get these rules altered suitably?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Presumably, the hon. Member refers to the disabilities suffered by the Indian Shipping Companies by reason of their non-admission to some of the Shipping Conferences governing the intermediate trades in the India-Pakistan/U.K. Continental trade sectors. If so, the position, as I stated the other day in this House in reply to a question by Shri K. P. Tripathi, is that the Indian Shipping interests will negotiate on a friendly basis and apply once more for membership of these Conferences early in the current year. Government are in close touch with the Indian Shipping Companies in the matter of the proposed negotiations and it is hoped that the issue will be successful.

(b) There are no written rules and regulations for these Conferences regarding admission of new members. Each application for membership is considered on merits by the existing Member-Lines and they agree either to admit or not to admit any new members. Once a Company is admitted as a member of a Conference, then the normal practices and rate schedules of that Conference become binding on that member.

(c) Does not arise in view of the position stated above.

Shrimati Renu Chakravartty: May I know what is the amount of surplus capacity of tonnage which is left over, because of these restrictive trades, with the Indian ships now?

Shri Alagesan: I do not think there is any surplus capacity, because we want to expand our tonnage. I do not know what exactly she means by surplus capacity.

Mr. Speaker: Perhaps the maximum carrying capacity.

Shrimati Renu Chakravartty: The unused, unutilised capacity. From the various speeches we understand that there is a certain amount of unused capacity of tonnage already in existence. How much is that? Or is it the contention of the Minister that there is no unutilised capacity?

Shri Alagesan: That will depend upon the cargo available, etc. It may vary from voyage to voyage. I am not able to say. But it is necessary for these shipping companies to get into the membership of the intermediary Conferences, and they are trying for that. This was answered very fully the other day.

Shrimati Renu Chakravartty: My question was whether the hon. Minister can give us an idea of the percentage of unutilised capacity of our tonnage during the last one year?

Shri Alagesan: I shall not be able to give that figure unless a specific question is put as regards a particular ship in a particular voyage, how much was utilised or not. It will depend on various factors. It will vary from voyage to voyage even in the case of the same ship.

Shrimati Renu Chakravartty: Apart from unutilised capacity, when the ships come back from the U.K., is it a fact that they often have to come back fairly empty?

Shri Alagesan: No.

Shri Bansal: May I know if it is a fact that most of the Members of the Conference Lines have free access to Indian ports and if it is so, what prevents the Government of India from applying the screw to these Conference Lines in order to admit our Indian shipping companies into membership?

Shri Alagesan: I think there is a certain amount of confusion. It is not the Government that is standing in the way at all. These Conference are voluntary associations of shipping lines engaged in this trade. They submit voluntarily to certain rules and regulations. We are keeping in close touch with the shipping companies. It may be that if the Government takes some hasty steps, we may be embarrassing our shipping interests. We are keeping these in mind and we try to help them as far as possible.

लोको-वर्कशाप, अजमेर

*३११. **श्री नवल प्रभाकर :** क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) वर्ष १९५४ में मरम्मत के लिये अजमेर के लोको-वर्कशाप में कितने रेलवे इंजन आये थे, और

(ख) इस कारखाने की क्षमता कितने इंजन ठीक करने की हैं ?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेशन): (क) २५० ।

(ख) हर महीने लगभग २० इंजिन ।

Shri T. B. Vittal Rao: May I have it in English, Sir?

Mr. Speaker: Will the hon. Minister please give an English translation?

Shri Alagesan: (a) 250.

(b) Twenty Locomotives per month, approximately.

श्री नवल प्रभाकर : क्या मैं जान सकता हूं कि सन् १९५२ में कितने इंजिन मरम्मत के लिए आये और १९५२ के अर्से में कितने इंजिन तैयार करके भेजे गये ?

Shri Alagesan: I have got figures for 1954. Two hundred and fifty metre gauge engines were received in the workshop: periodical overhauling 113, intermediate overhauling 84 and special 53.

श्री नवल प्रभाकर : क्या मैं जान सकता हूं कि इस मीटर गेज के ऊपर नये इंजिनों का निर्माण करने का विचार अजमेर में हैं ?

Shri Alagesan: We are having metre gauge engines manufactured in TELCO.

Shri Ajit Singh: May I know whether private locomotives are also taken for repairs and if so, what are the prescribed rules?

Shri Alagesan: I have no idea. The hon. Member may put a separate question. I shall find out.

Shri T. B. Vittal Rao: May I know whether the Committee appointed to assess the utilisation of the various workshops in India has submitted its report?

Shri Alagesan: Not yet.

FOREIGN HEALTH TEAMS IN INDIA

*312. **Shri Chaudhri Muhammed Shaffee:** Will the Minister of Health be pleased to state:

(a) the number of foreign teams working in co-operation with the Health Ministry;

(b) the area of the work, the extent of work done and the countries from which they have come;

(c) the terms of their working in India; and

(d) the total expenditure incurred in this regard?

The Deputy Minister of Health (Shrimati Chandrasekhar): (a) to (d). A statement is laid on the Table of the Sabha. [*See* Appendix II, annexure No. 37.]

EXPLORATORY TUBE-WELLS

***313. Shri Sivamurthi Swami:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) how many exploratory tube-wells have been undertaken or are proposed to be undertaken in the Karnatak areas of Bombay, Hyderabad and Mysore States separately; and

(b) the estimated cost of each tube-well?

The Minister of Agriculture (Dr. P. S. Deshmukh): (a) None.

(b) Does not arise.

Shri Sivamurthi Swami: May I know whether the Government considers the question of having these tube-wells in South India, anywhere?

Dr. P. S. Deshmukh: Areas and specific places are being determined all over India. We are not taking these tubewells to any areas where there is no possibility of their success.

Shri N. B. Chowdhury: May I know whether it is a fact that the tube-well scheme will remain confined only to a few States during the First Five Year Plan period?

Dr. P. S. Deshmukh: Yes. We chose the areas where it was suitable.

Shri N. B. Chowdhury: What are the names of those States?

Dr. P. S. Deshmukh: Mostly, these are North Indian States: P.E.P.S.U., Punjab, Bihar and U.P.

Shri Thimmaiah: May I know whether any opinion has been sought by the State Governments whether exploratory tube-wells are possible in certain States?

Dr. P. S. Deshmukh: I should like to have notice. I do not think anybody has asked.

WHEAT RUST

***314. Shri Jethalal Joshi:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) the estimated quantity of wheat rusted during the last two years, year-wise;

(b) the amount of loss on this account; and

(c) whether any research has been undertaken to protect wheat from rust?

The Minister of Agriculture (Dr. P. S. Deshmukh): (a) and (b). Government have no information.

(c) Yes; research for breeding wheat resistant to rust has been undertaken, as a result of which varieties possessing an appreciable degree of resistance to rust have been bred. The research is in progress.

Shri Jethalal Joshi: May I know the total quantity of output of wheat for the same period?

Dr. P. S. Deshmukh: I must ask for notice.

Shri Jethalal Joshi: Is it a fact that certain varieties of wheat are more susceptible to rust?

Dr. P. S. Deshmukh: Yes, Sir.

Shri B. K. Das: May I know how many I.C.A.R. schemes have been undertaken for this purpose?

Dr. P. S. Deshmukh: I could not give the number. But, there are quite a large number of schemes in the wheat-growing areas.

सेठ अचल सिंह : क्या मंत्री महोदय बतलाने की कृपा करेंगे कि जो रस्ट का एक्सपैरीमेंट पिछले २५ वर्ष से आगरा कालिज में प्रोफेसर मेहता द्वारा किया जा रहा है उसके बारे में कुछ किया जायगा या उसे खत्म कर दिया जायगा ?

डा० पी० एस० देशमुख : फिलहाल मेरे पास इसकी इन्फारमेशन नहीं है। मगर जहां कहीं भी अच्छा रिसर्च हो रहा है उस रिसर्च को हम चाहते हैं और उससे जो कुछ लाभ उठाया जा सकता है उसको उठाने की कोशिश करते हैं।

KRISHNARAJAPURAM—KODIGIHALLI RAIL LINK

*315. **Shri C. R. Narasimhan:** Will the Minister of **Railways** be pleased to state:

(a) whether representations were made some time back to Railway Authorities by the traders in Mysore State suggesting that the loopline (Broad Gauge) from Krishnarajapuram to Kodigihalli on the Metre Gauge line which was opened for defence purposes during the last war should be thrown open to the public; and

(b) if so, the action taken thereon?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes, Sir.

(b) On investigation, it has been found that development of Bangalore Station by providing more facilities there would be preferable and more economical than to throw open this siding for public traffic.

Shri C. R. Narasimhan: Is it a fact that the improvements made in the Bangalore City station with regard to sidings have not been commensurate with the increase in trade and transportation of goods and therefore, traffic is diverted through trucks?

Shri Alagesan: We are trying to improve the facilities at the City station.

Shri C. R. Narasimhan: I am asking whether the improvements carried out are not commensurate with the increase of trade and whether this would be additional effort?

Shri Alagesan: This was gone into and it was thought that there was no use maintaining this line which was not built up to the requisite standard and which was put into use only for the duration of the war and a few years later. We are abandoning it.

Shri Natesan: May I know if the line has since been dismantled?

Shri Alagesan: We propose to dismantle it.

Shri C. R. Narasimhan: The lines are there. Is it thought better to dismantle them rather than use them?

Shri Alagesan: Yes. That was my answer.

Mr. Speaker: He said that Government propose to dismantle the line.

MANUFACTURE OF RAILWAY ENGINES

*316. **Shri S. V. Ramaswamy:** Will the Minister of **Railways** be pleased to state:

(a) the percentage of imported parts used in the manufacture of engines by the TELCO; and

(b) the number of imported boilers used in the manufacture of engines at Chittaranjan during 1954?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) The firm claims that about 25 per cent. of the number of components are imported.

(b) 45 boilers.

Shri S. V. Ramaswamy: Is this proportion the same for Chittaranjan? If the proposition is not the same, why it is not so?

Shri Alagesan: I do not have the detailed figures regarding Chittaranjan. We are trying to make everything in Chittaranjan except a few parts.

Shri S. V. Ramaswamy: It is stated that the target of production in Chittaranjan has been stepped up from 120 to 200. Is this based on imported boilers? Or, are all the boilers going to be made at Chittaranjan?

Shri Alagesan: As far as this year, up till now, is concerned, Chittaranjan has made 86 locomotives. Of this, 45 boilers were imported and 41 were made in Chittaranjan itself.

Shri S. V. Ramaswamy: My question has not been answered. It is proposed to step up production from 120 to 200 locomotives. I wanted to know whether this is based on imported boilers or whether all the boilers are going to be made at Chittaranjan.

Shri Alagesan: It will be based on imported boilers for some time. In course of time, we will be able to make all the boilers. We are planning to increase our production at Chittaranjan to 200 locomotives plus 100 boilers, that is, 200 plus 100, 300 boilers.

TRAIN ACCIDENT

*317. **Shri M. L. Agrawal:** Will the Minister of **Railways** be pleased to state:

(a) the causes that led to the collision of a passenger and a goods train between Rajwari and Kadipur stations on the North Eastern Railway at 3 A.M. on the 9th February, 1955; and

(b) the number of the casualties involved and the amount of loss caused to the Railway by the collision?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) The collision was caused by No. 954 Down Goods running through Kadipur station, *prima facie* due to driver having lost control instead of stopping there, and thus entering the Kadipur-Rajwara section in the face of the approaching 385 Up Passenger train. A departmental enquiry was held but the report has not yet been received.

(b) 10 persons received minor injuries. The approximate cost of damage to Railway property was Rs. 7,300/-

Shri M. L. Agrawal: Has any action been taken against the person who was responsible for this accident?

Shri Alagesan: On receipt of the report, action will be taken.

Shri M. L. Agrawal: Has any compensation been given to the victims of the accident?

Shri Alagesan: All this will follow.

Mr. Speaker: I think he said there were no victims. Ten persons received slight injuries.

Shri Chattopadhyaya: When will the original report of the Shah Nawaz Committee be published?

Shri Alagesan: We do not propose to publish it.

Shri T. B. Vittal Rao: Could we know the reasons why the report is not going to be published?

Shri Alagesan: It is not very relevant to this question, but I answered the previous question and I do not want to answer further questions.

JAPANESE METHOD OF RICE CULTIVATION

*318. **Sardar Hukam Singh:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether it is a fact that a large number of enquiries have been made by foreign countries in regard to the Japanese Method of Rice cultivation;

(b) if so, whether the requisite information has been supplied; and

(c) whether there is any literature containing the detailed information prepared by the Ministry?

The Minister of Agriculture (Dr. P. S. Deshmukh): (a) and (b). Yes.

(c) Yes. This has been supplied to the Library of the Sabha. A special exhibition displaying all the literature prepared and published till then and special film shows were besides arranged in the Parliament House for the Members of the Parliament.

Sardar Hukam Singh: May I know the names of the countries from which these enquiries were received?

Dr. P. S. Deshmukh: There were about 14 countries which have made enquiries. And it includes Ceylon, Texas, Philippines, Congo, Iran, Maxico, Brazil, Greece, Cuba, Arkansas and Manila.

Sardar Hukam Singh: Have the Government analysed the reasons why particularly these enquiries have been made from India and not from Japan directly?

Dr. P. S. Deshmukh: If I may say so, we have in some respects improved upon the Japanese method ourselves.

Sardar Hukam Singh: May I know whether there was a demand for the loan of two films prepared by our country so far as the Japanese method of cultivation was concerned, and whether that demand also has been met?

Dr. P. S. Deshmukh: We have been asked for all that we have got and in them is included a demand for films also. I am not sure if we have been able to meet all the demands.

Sardar Hukam Singh: There was a report that some student wanted to give up service and made an enquiry from India that if the special literature was supplied in full, he would resign his post and take to this paddy cultivation. May I know whether Government could meet his demand as well?

Dr. P. S. Deshmukh: I am not aware of this particular demand, but if it is brought to my notice, I will certainly encourage the student to fulfil his ambition.

Shri N. B. Chowdhury: May I know whether the countries concerned have asked for only films and information or for some Indian experts on the Japanese method of cultivation also?

Dr. P. S. Deshmukh: They have asked for detailed information as to how we created this revolution in rice production. There are some countries who made personal enquiries from me, as to whether they could send their people in order to study the method here.

FIRE-FIGHTING EQUIPMENT IN AIR PORTS

***319. Shri Jhulan Sinha:** Will the Minister of **Communications** be pleased to state the measure of success achieved by the latest types of fire-fighting equipments installed in the various airports, especially with regard to the lives and property saved as a result of their use?

The Deputy Minister of Communications (Shri Raj Bahadur): The latest types of equipment have been used successfully wherever employed, as shown in the statement which I lay on the Table of the Sabha. [*See* Appendix II, annexure No. 38.]

Shri Jhulan Sinha: May I know the number of lives and the amount of property saved due to the use of this fire-fighting equipment?

Shri Raj Bahadur: This information can be obtained from what has been given in the statement. As a matter of fact the crash fire tenders could be utilised in most cases only when fire was observed in the engine while the plane was being started. This happened in the case either of a flying Club plane or Service plane or some training aircraft.

FAMILY PLANNING

***323. Shri Heda:** Will the Minister of **Health** be pleased to state:

(a) whether the Sub-Committee on Family Planning and Social Welfare of the Indian Conference of Social Work have submitted their report to Government; and

(b) if so, their main recommendations?

The Deputy Minister of Health (Shrimati Chandrasekhar): (a) No.

(b) Does not arise.

Shri Heda: Are Government availing of such reports from social organisations like the Indian Council of Social Work who are working for similar objects or some other social objectives?

Shrimati Chandrasekhar: This particular body is a private organisation and we have not received any report from them at all. We are not even aware of any sub-committee which has been formed for this purpose.

Shri V. P. Nayar: May I know whether the hon. Minister is aware that in the population conference held in Rome in 1953 the world experts on population agreed that family planning with its experience gained in India had no solution for population problems? May I also know why Government is still continuing with this scheme?

Shrimati Chandrasekhar: I would require a separate question to be put on that.

COMPENSATION TO NATIONALISED AIR COMPANIES

***324. Shri Morarka:** Will the Minister of **Communications** be pleased to refer to the reply given to starred question No. 68 on the 16th November, 1954 and state:

(a) whether the final amounts of compensation payable to the various air companies have been ascertained;

(b) whether any amount has been paid in cash to any of these companies; and

(c) what is the total amount expected to become payable both in cash and in securities?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) The two air Corporations have made an assessment of the compensation amounts due to the air companies under the Air Corporations Act, 1953. In the first instance, these have been communicated informally to the companies, with a view to arriving at mutually agreed figures. Correspondence is in progress with the companies on this matter and the compensation amounts are expected to be finalised shortly.

(b) No, Sir.

(c) The total amount of compensation will roughly be Rs. 6 crores.

Shri Morarka: May I know whether Government is going to impose any restrictions on the negotiability of these securities which the Government is going to give as compensation to these companies?

Shri Raj Bahadur: So far as the corporations are concerned, they will give the amount to the company either in bonus or whatever amount is permissible in cash, and it will be for the company to distribute it to the shareholders.

Shri Morarka: My question was whether the Government was going to put any restrictions on the negotiability of the securities to be paid as compensation, whether the company would be able to sell them immediately in the market or not?

Shri Raj Bahadur: That is a suggestion which will be borne in mind and will be examined on its merits.

Shri Morarka: What were the points referred to the Air Lines Compensation Tribunal and what were the decisions?

Shri Raj Bahadur: Only in the case of the Himalayan Airways some points have been referred to the Tribunal, and the decision is awaited.

Shrimati Renu Chakravartty: In regard to these private negotiations between the companies and the Government, in the papers for supplementary grants that we are going to pass today it is said that assessment has proved to be very complicated. Does it mean that there has been any interchange whereby the assessment made by the Government has been challenged or has not been accepted by the company and therefore these complications have arisen?

Shri Raj Bahadur: The process was complicated no doubt, as will be apparent from the simple fact that as many 36 forms had to be given to the companies to enable them to file their returns. On the basis of these returns, the assessments of compensation have been made. We have forwarded these assessments of compensation to the companies concerned to see whether they accept them or reject them or accept them partially or otherwise. We shall then make payment of the compensation amounts.

Shrimati Renu Chakravartty: May we know how many companies... ..

PROTECTION WORKS ON RAILWAYS

***325. Shri V. P. Nayar:** Will the Minister of **Railways** be pleased to state:

(a) whether Government have received any representations from the public organisations, in and around, Azhikkal Station on the Southern Railway stating that for want of proper protection in the vicinity of the over-bridge and the Railway bridge at Azhikkal Station, saline water enters the adjacent paddy fields destroying crops etc.; and

(b) if so, the action Government propose to take in the matter?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes, Sir.

(b) Plan and estimate for providing an extra culvert are being got out and will be sent to the Government of Madras for their acceptance.

Shri V. P. Nayar: Is it a fact that during the tidal flow the saline waters first enter the low-lying railway compound and then floods the adjoining paddy fields to the extent of 300 or 400 acres?

Shri Alagesan: Yes, Sir. That is the representation, that the adjoining area is flooded. But it is not because water collects in the railway compound but because there is no sufficient drainage facility. And for that purpose, they want a separate culvert; and it has to be constructed at the cost of the Madras Government, and they have been told about that; and we are sending out an estimate for that.

Shri V. P. Nayar: Are Government aware that the Madras Government have taken the view that this being a railway compound, it is the responsibility of the Centre, and not the responsibility of the Madras Government, to provide any sort of culvert or protective wall?

Shri Alagesan: The question is that we have to provide for these accommodation works, only if it becomes necessary within ten years of the construction of the railway line. This line was constructed somewhere in 1906, and this is no more the Railways' responsibility. Any accommodation works have to be constructed at the cost of the authorities concerned.

Shri V. P. Nayar: Is it the hon. Minister's view that this flooding of water began only during the last ten years? May I know why, if it was there even before, Government did not take adequate measures in time to save these three hundred to four hundred acres of paddy fields?

Shri Alagesan: If that is so, the Madras Government should have taken the steps, not the Railways.

AERODROMES

***327. Shri S. C. Samanta:** Will the Minister of **Communications** be pleased to state:

(a) how many new aerodromes are expected to be completed during the current financial year;

(b) how far the constuction work at Agartala airport has progressed; and

(c) what will be its estimated cost of construction?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) Construction of 3 new aerodromes is in progress, *viz.* Chandigarh, Kandla and Udaipur. All efforts are being made to complete them during the financial year 1955-56.

(b) and (c). I lay a statement on the Table of the Sabha showing the progress of the various works in hand at the Agartala airport and their estimated cost. [*See* Appendix II, annexure No. 39.]

Shri S. C. Samanta: May I know whether the proposed construction of an aerodrome at Port Blair in the Andamans has been taken in hand or will be taken in hand in the future?

Shri Raj Bahadur: It has not been taken in hand; and I am afraid even preliminary investigations in regard to that have not been started.

Shri S. C. Samanta: Is it a fact that with a view to joining the administrative points in the inaccessible hilly areas in Assam, Government wish to construct aerodromes in different parts there?

Shri Raj Bahadur: Our policy has been to link up capitals of various States. The Andamans, of course, are a group of islands. The suggestion of the hon. Member will be borne in mind.

Shri Hem Raj: May I know whether there is any proposal to construct any air-strip in Kulu Valley?

Shri Raj Bahadur: It is not under investigation at the moment, but the suggestion has been made to us.

Shri S. C. Samanta: In my second question, I wanted to know about Assam, while the hon. Minister has given me the reply in regard to the Andamans. I wanted to know whether the administrative points in Assam will be joined by air communication.

Shri Raj Bahadur: In Assam, preliminary investigation for the construction of aerodromes are in progress at Nowgong and Shillong.

RICE STOCK

***328. Shri Sarangadhar Das:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) the total quantity of rice in reserve stock in the country; and

(b) whether it is a fact that Government have decided to dispose of the old stock and to replenish it with fresh stock?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): (a) On 12-2-1955, the total stock of rice held by Government was about 15·8 lakh tons.

(b) Government have decided to dispose of those stocks of rice which cannot be preserved in storage for long.

Shri Sarangadhar Das: May I know the average price paid for the stock of last year, and the price that is expected to be realised for it now?

Shri M. V. Krishnappa: For all the rice that we imported last year from Burma, we paid a price of £48 per ton; and for the internal rice, the price varies from £30 to £35.

Shri Sarangadhar Das: What will be the disposal price?

Shri M. V. Krishnappa: When we find that a particular kind of rice has no keeping quality, and it cannot be kept for a long time, tenders are called, and it is disposed of. We cannot say exactly at what price we will have to dispose it of.

Shri Sarangadhar Das: May I know whether, in view of the fact that rice deteriorates in storage, Government will consider the question of storing paddy in future instead of rice?

Shri M. V. Krishnappa: Some portions of these stocks are in paddy also. As far as possible, we try to get it in the form of paddy, but it all depends on our imports. Out of these 15 lakhs of tons, we have got 9 lakhs of tons of imported rice, and that is because we cannot import paddy from Burma, but we have to import it in the form of rice. Out of the grain that we procure in the country, some portion will be in the form of paddy, and some portion will be in the form of rice.

Shri A. M. Thomas: May I know whether it is a fact that a substantial quantity of the rice which is being taken back by the Centre from the various States is deteriorated stuff, and the rest in the process of getting deteriorated? If so, what steps are proposed to be taken by Government to dispose of these stocks?

Shri M. V. Krishnappa: We had convened a conference of all the officials of the States and the Centre recently, and we have asked them to mark out and grade the rice which has not got keeping quality, so that it can be disposed of immediately. At present, there is no rice with us, which is deteriorating. We are disposing of it as and when it gets deteriorated.

Shri Kelappan: May I know whether any stock has been disposed of, and if so, the loss incurred thereon?

Shri M. V. Krishnappa: Yes, in the district of the hon. Member, *i.e.* Calicut, we disposed of nearly 15,000 tons last month.

Shri Kelappan: Was any loss incurred?

Shri M. V. Krishnappa: Fifty per cent of the price we had paid for.

RAILWAY EMPLOYEES

*329. **Shri D. C. Sharma:** Will the Minister of **Railways** be pleased to state:

(a) the number of Guards and Assistant Station Masters recruited on the Northern Railway during the year 1954; and

(b) the number of Scheduled Castes among them?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a)

Guards ..	76
Asstt. Station Masters ..	421
(b) Guards ..	3
Asstt. Station Masters ...	25

Shri D. C. Sharma: May I know whether there is any reservation kept for the Scheduled Castes, and if so, what is that proportion?

Shri Alagesan: The reservation percentage is 12½ per cent, but it is unfortunate that these percentages come only to 4 per cent, and 6 per cent.

Shri D. C. Sharma: May I know why the recruitment of the so-called Scheduled Castes was below par? May I also know whether it is not the practice with Government to lower the qualifications in the case of these Scheduled Castes, when appointments are to be made?

Shri Alagesan: The recruitment is made by the Railway Service Commission. In fact, for these categories, there is a sufficient number of applications from the Scheduled Caste candidates and persons numbering about four to five times the number of the actual vacancies set apart for the Scheduled Castes are called for interview. But many of them were not found up to the standard, and so they were not selected.

As to the question of relaxation of standards, I am sorry to say that it is not acceptable.

Shri D. C. Sharma: Is it not a fact that in the case of appointments made by the Union Public Service Commission and the State Public Service Commissions, relaxation of standard is permitted, and if so, may I know why it is not permitted by the Railway Service Commissions or Railway Selection Boards?

Shri Alagesan: I do not know whether the State Service Commissions and the Union Public Service Commission permit relaxations—perhaps, the relaxation may relate to age-limit, but I do not think it relates to substantive standards.

MERGER OF DEARNESS ALLOWANCE

*330. **Shri T. B. Vittal Rao:** Will the Minister of **Railways** be pleased to refer to the reply given to unstarred question No. 45 on the 16th November, 1954 and state:

(a) whether a decision has since been taken to treat 50 per cent. of the dearness allowance of the employees of the *ex*-Nizam's State Railway who have opted to retain pre-absorption terms and conditions of service, as dearness pay; and

(b) if so, whether the same will be enforced with retrospective effect?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) No.

(b) Does not arise.

Shri T. B. Vittal Rao: May I know whether these employees were getting before integration all the benefits of the Central Pay Commission's recommendations, and if so, why there is this discrimination for this particular category?

Shri Alagesan: What the hon. Member says is true. We have brought this fact to the notice of the Finance Ministry, and they hope to finalise the matter soon.

Shri T. B. Vittal Rao: In view of the fact that this matter has been hanging fire for the last two years, may I know when a decision will be reached?

Shri Alagesan: That is exactly what I said earlier. The Finance Ministry hopes to finalise this matter very shortly.

Shri K. K. Basu: When will that hope be realised?

KURNOOL-KOTHAPATNAM RAIL LINK

*331. **Shrei M. S. Gurupadaswamy:** Will the Minister of **Railways** be pleased to state:

(a) whether there is any proposal to lay a railway line between Kurnool and Kothapatnam;

(b) whether it is a fact that a large number of representations have been received to that effect; and

(c) if so, the action Government propose to take in this matter?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) No, Sir.

(b) No, Sir. Representations have been received for linking Kurnool with Ongole *via* Nandyal which covers only a portion of the Kurnool-Kothapatnam project.

(c) The proposal has been noted for consideration, while selecting new lines for construction during the Second Five Year Plan Period.

Shri M. S. Gurupadaswamy: May I know whether any survey has been conducted in this line?

Shri Alagesan: No.

IMPORT AND EXPORT OF FOODGRAINS

*333. **Shri Chaudhri Muhammed Shaffee:** Will the Minister of **Food and Agriculture** be pleased to lay on the Table of the House a statement showing:

(a) the quantities of foodgrains and sugar exported and imported during the year 1954;

(b) the names of the countries to which the exports were made;

(c) the names of the countries from which these commodities were imported; and

(d) the value of exports and imports in respect of each category?

The Minister of Agriculture (Dr. P. S. Deshmukh): (a) to (d). Three statements containing the available information are laid on the Table of the Sabha. (*See* Anpendix II, annexure No. 40.]

Shri Chaudhri Muhammed Shaffee: May I know the dates on which the contracts were entered into with the parties concerned?

Dr. P. S. Deshmukh: I must ask for notice of the question.

AIR ACCIDENTS

*334. **Shri Jethalal Joshi:** Will the Minister of **Communications** be pleased to lay a statement on the Table of the House showing:

(a) the number of air-crashes since 1951 and the total death toll as a result thereof; and

(b) the measures adopted by Government from time to time to avert such accidents?

The Deputy Minister of Comunications (Shri Raj Bahadur): (a) and (b). I lay on the Table of the Lok Sabha a Statement giving the requisite information. [*See* Appendix II, annexure No. 41].

Shri Jethala Joshi: From the statement, it appears that there are nine points for precaution. May I know which of these precautions were not followed in the years 1951, 1952, 1953 and 1954, which may be said to be responsible for the air crashes?

Shri Raj Bahadur: It is very difficult to say which of these were not being followed, because more or less to a greater or lesser degree, they were being followed. The arrangements had to be tightened up, and these nine points represent the tightening up of those precautions and arrangements.

Shri Jethalal Joshi: Is it a fact that some of the aircraft have outlived their period of serviceability. and if so, hcw many are there?

Shri Raj Bahadur: No, that is not a fact. As has been mentioned in the House once before, the average life of a Dakota is supposed to be 40,000 hours; and most of ours have run for not more than 16,000 or 17,000 hours so far.

Shri A. M. Thomas: May I enquire whether there is what is called metal fatigue? If so, what precautions are being taken by the Government to avoid it?

Shri Raj Bahadur: It is tackled by aircraft maintenance engineers by various devices, accessories and instruments.

WRITTEN ANSWERS TO QUESTIONS

SUGAR PRODUCTION

*281. **Sardar Hukam Singh:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) the quantity of sugar produced by the factories in India during December, 1954;

(b) the quantity released for free sale by the producers; and

(c) whether any maximum price was fixed in the case of the sugar released for free sale?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) 2·5 lakh tons.

(b) 1.24 lakh tons.

(c) No.

SERVICE CONDITIONS OF PORT OFFICERS

*282. **Shri S. N. Das:** Will the Minister of **Transport** be pleased to state:

(a) the progress of work of the Committee appointed to enquire into the conditions of service of pilots and other officers of the Bombay and Calcutta Ports; and

(b) when the report of the Committee is expected to be received?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). The Committee have completed their work and their report has been received a few days back.

RAILWAY LOCOMOTIVES

***288. Shri Krishnacharya Joshi:** Will the Minister of **Railways** be pleased to state the steps taken to prevent the excessive emission of smoke by locomotives and consequent pollution of the air?

The Deputy Minister of Railways and Transport (Shri Alagesan): Locomotive firemen are specially taught how to avoid excessive emission of smoke.

INDO-PAKISTAN CONFERENCE ON RAIL TRAFFIC

*290. **Shri G. P. Sinha:**
Shri L. N. Mishra:

Will the Minister of **Railways** be pleased to state:

(a) whether any Indo-Pakistan Conference on Rail Traffic was held in Delhi in December, 1954; and

(b) if so, what were the important decisions arrived at in that Conference?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Meetings of the Indo-Pakistan Railway Standing Committee and Stores Sub-Committee took place at Delhi in December, 1954.

(b) A summary of the important decisions reached at the meetings has been placed on the Table of the House. [*See* Appendix II, annexure No. 42].

MADRAS PORT

***293. Shri Raghunath Singh:** Will the Minister of **Transport** be pleased to state whether it is a fact that colliers calling at the port of Madras recently have again been put to inordinate delays in discharging due to acute congestion in the port and several steamers have even had to wait outside the harbour for days at a stretch for want of berths?

The Deputy Minister of Railways and Transport (Shri Alagesan): There have been delays to colliers calling at the Port of Madras due to the bunching of ships, inclement weather and the discharge of locomotives and coach-shells for some days in one of the two berths reserved for colliers.

TRAINING IN HOME ECONOMICS

***295. Shri R. N. Singh:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether it is a fact that some women students are to be sent to U.S.A. for training in Home Economics;

(b) if so, whether the selection of the candidates has been made;

(c) what is the duration of the training; and

(d) whether the students are to be sent at the expense of Government or on scholarships offered by the Government of U.S.A.?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) It is proposed to send 10 young women to the U.S.A. under the International Farm Youth Exchange Programme. Home Economics will be one of the subjects of training to be imparted to them.

(b) Not yet.

(c) Six months.

(d) Their passage from New Delhi to New York and back will be met by the 4-H Club Foundation of the U.S.A. and board and lodging will be provided by American host families.

POSTAL COMMUNICATIONS BETWEEN INDIA AND GOA

***300. Th. Jugal Kishore Sinha:** Will the Minister of **Communications** be pleased to state:

(a) whether it is a fact that postal communications between India and Goa have been completely stopped from the date of introduction of the passport system;

(b) whether it is also a fact that mail bags have greatly piled up on both sides of the border; and

(c) if so, the measures taken or proposed to be taken for their prompt clearance?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) No.

(b) No.

(c) Does not arise.

TELEPHONE EXCHANGE IN LADAKH

***301. Shri B. D. Shastri:** Will the Minister of **Communications** be pleased to state:

(a) whether any proposal to set up a telephone exchange in Ladakh is under the consideration of Government;

(b) if so, by what time a decision will be taken in the matter; and

(c) what will be the estimated cost?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) Provision of a wireless telephone circuit to Ladakh is under consideration.

(b) and (c). Details of equipment and financial implications have to be finalised yet.

TELEPHONE CONNECTIONS FOR RURAL POLICE STATIONS

***303. Shri Bibhuti Mishra:** Will the Minister of **Communications** be pleased to state:

(a) whether Government propose to connect every rural Police Station with district headquarters by telephone; and

(b) if so, within what period?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) There is no such proposal.

(b) Does not arise.

FIBRE EXPERT

***304. Shri Amjad Ali:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether any Fibre Expert from U.K. is visiting the country in February, 1955;

(b) if so, the main purpose of his visit to this country; and

(c) whether he is coming here at the invitation of Government or at the invitation of some private concern?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) Yes. The Chief of the Fibres Section of the Economics Division of the Food and Agriculture Organisation, of the United Nations visited this country in January, 1955.

(b) Collection of data on fibres for a monograph.

(c) He visited this country at his own instance.

COCONUT CULTIVATION IN LACCADIVES

***307. Shri Punnoose:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether it is a fact that the Central Government are financing the scheme of the Madras Government for coconut cultivation in the Laccadives;

(b) if so, the details of the scheme;

(c) the total estimated expenditure thereon; and

(d) the share of the Central Government in the expenditure?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) No.

(b) to (d). Do not arise.

NATIONAL HARBOUR BOARD

***308. Shri M. S. Gurupadaswamy:** Will the Minister of **Transport** be pleased to state:

(a) whether the National Harbour Board has recently been reconstituted;

(b) if so, what are the main changes;

(c) whether any representatives of workers have also been included in the Board;

(d) if so, their names; and

(e) how they were selected?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes.

(b) There has been no change in the constitution of the Board or the representation on it of non-official interests except that in three out of the four non-official seats new nominees have replaced the old.

(c) Yes.

(d) and (e). Dr. (Mrs.) Maitreyee Bose who has been nominated by the Government of India.

NUTRITION RESEARCH LABORATORY, COONOOR

***309. Shri V. Missir:** Will the Minister of **Health** be pleased to state:

(a) whether any decision to shift the Nutrition Research Laboratory from Coonoor to Hyderabad State has been taken recently;

(b) if so, the reasons therefor;

(c) whether the buildings to house the laboratories have been acquired or are yet to be built; and

(d) how much amount has been sanctioned for this purpose?

The Minister of Health (Rajkumari Amrit Kaur): (a) Yes.

(b) At present the Nutrition Research Laboratories are located in a part of the buildings belonging to the Pasteur Institute of Southern India. The accommodation available is not sufficient and the clinical facilities in Coonoor are also inadequate. It is, therefore, necessary to move the Laboratories to another Centre.

(c) The buildings are to be constructed on a site which has been made available by the Osmania University free of cost in the Campus of the University at Hyderabad. The plans are being finalized.

(d) The total expenditure involved in shifting the laboratories will be Rs. 12,47,400/- including Rs. 7,57,400 for construction of buildings. Government have so far sanctioned Rs. 3 lakhs to the Indian Council of Medical Research for the above purpose.

हिन्दी

***३२०. श्री कृष्णाचार्य जोशी :** क्या संचार मंत्री यह बताने की कृपा करेंगे कि उनके मन्त्रालय की विभिन्न शाखाओं में हिन्दी में काम शुरू करने के लिये क्या कार्यवाही की गयी है ?

संचार उपमंत्री (श्री राज बहादुर): ज्ञातव्य सूचना एक विवरण पत्र के रूप में सभा पटल पर रखी जाती है। [**देखिये परिशिष्ट २, अनुबन्ध संख्या ४२**].

SHIPPING PERSONNEL

***321. Shri Raghunath Singh:** Will the Minister of **Transport** be pleased to state:

(a) the number of persons employed as Officers, seamen and crew by the Indian and foreign shipping companies in India; and

(b) the number of certificated and uncertificated Masters and Deck Officers among them?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) A statement showing the number of officers and seamen engaged by Indian and foreign shipping companies during the calendar year 1954 at the ports of Calcutta and Bombay which are the main recruiting centres in India, is placed on the Table of the Sabha. [*See* Appendix II, annexure No. **44**].

(b) This information is not readily available and will be supplied as soon as it is collected.

INFORMATION ON AGRICULTURE

***322. Shri R. N. Singh:** Will the Minister of **Food and Agriculture** be pleased to refer to the reply given to starred question No. 1578 on the 23rd December, 1954 and state:

(a) whether any literature on agriculture research carried out in the country has been published so far during the year 1954-55;

(b) if so, the languages in which it has been published;

(c) the method of circulating the same to the farmers; and

(d) the total amount spent on it during the year 1954-55?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) Yes.

(b) The agricultural literature is mainly printed in English and Hindi. Some posters have, however, been produced in regional languages such as Bengali, Gujerati, Gurmukhi, Kannada, Malayalam, Marathi, Tamil, Telugu and Urdu.

(c) The agricultural research literature is distributed through the Directors of Agriculture, Directors of Information and Publicity, Co-operative Societies, Colleges, Public Libraries, Agricultural Institutions in the States and Trade Organisations and Associations. The Literature is also supplied to the officers-in-charge of Community Projects, Extension and Development Blocks, Village Panchayats and the Village-Level workers; through these channels it reaches the cultivators and the masses. In certain cases individual agents are also employed on commission basis to stock and sell the literature wherever required. The Manager of Publications, Government of India, keeps a ready stock of such literature for sale. It is also distributed at *Melas*, exhibitions and cattle shows.

(d) The information is being collected. It will be placed on the Table of the Sabha when received.

INDIAN DAIRY RESEARCH INSTITUTE, BANGALORE

***326. Th. Jugal Kishore Sinha:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) the progress made so far in the artificial insemination experiments at the Indian Dairy Research Institute, Bangalore;

(b) the total cost on these experiments; and

(c) when further experiments will be conducted?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) to (c). A statement is laid on the Table of the Sabha. [*See* Appendix II, annexure No. 45].

NEW RAILWAY LINES

***332. Shri V. Missir:** Will the Minister of **Railways** be pleased to state:

(a) whether any representation for the construction of a new railway line between Pondicherry and Cuddalore has been recently received; and

(b) if so, the decision taken in the matter?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) No, Sir.

(b) Does not arise.

सियालदह रेलवे स्टेशन

***३३५. श्री रघुनाथ सिंह :** क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि सरकार सियालदह रेलवे स्टेशन के पुनर्निर्माण के लिए एक योजना पर विचार कर रही है, और

(ख) यदि हां, तो यह काम कब तक पूरा हो जायेगा ?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेशन):

(क) जी, नहीं ।

(ख) प्रश्न नहीं उठता ।

SUPPLY OF BULLS

***336. Th. Jugal Kishore Sinha:** Will the Minister of **Food and Agriculture** be pleased to refer to the reply given to starred question No. 79 on the 24th August, 1954 and state whether all the bulls presented under the U.S. Technical Cooperation Mission Programme have arrived in India?

The Minister of Food and Agriculture (Shri A. P. Jain): Out of 16 Jersey bulls promised by the US, TCM in India, 6 are expected to reach India in the beginning of March, 1955. The rest will be obtained later on.

NEW SUGAR FACTORIES

*337. **Shri D. C. Sharma:**
Shri R. N. Singh:

Will the Minister of **Food and Agriculture** be pleased to state:

(a) the number of applications that are pending consideration before Government in regard to the opening of sugar factories in the different States of India; and

(b) when the final decision will be taken thereon?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) seventeen.

(b) The pending applications will be dealt with as soon as certain information called for from State Governments or/and applicants is received.

SERVICES COMMITTEE OF I.A.C.

*338. **Shri M. S. Gurupadaswamy:** Will the Minister of **Communications** be pleased to refer to the reply given to starred question No. 680 on the 2nd December, 1954 and state:

(a) whether it is a fact that the Indian Airlines Corporation have agreed to make changes in the recommendations of the Services Committee about the pay-scales and condition of services of the employees; and

(b) if so, the specific changes made or proposed to be made in this regard?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) Yes, Sir.

(b) I place on the Table a statement giving the major changes proposed to be made in this regard. [*See* Appendix II, annexure No. 46].

SURPLUS BUTTER

*339. **Shri Krishnacharya Joshi:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether Government propose to accept the plan of the United States of America to send surplus butter as ghee to India; and

(b) whether Indian representatives of agriculture have been consulted in the matter?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) The matter is under consideration.

(b) No.

KOLAR GOLD FIELDS

68. **Shri P. C. Bose:** will the Minister of **Labour** be pleased to state:

(a) whether it is a fact that the operations of the Gold Mines of Kolar Gold Fields were paralysed on the 30th December, 1954, for failure of electric supply;

(b) the causes of the failure of the electric supply; and

(c) whether any accident took place under ground for want of electric current?

The Minister of Labour (Shri Khandubhai Desai): (a) Yes, this lasted for 3 hours and 12 minutes.

(b) It is understood that this was due to sabotage.

(c) No.

TRAINING IN LOCAL SELF-GOVERNMENT ADMINISTRATION

69. **Shri N. B. Chowdhury:** Will the Minister of **Health** be pleased to state:

(a) the number of persons sent abroad for training in Local Self-Government Administration;

(b) the names of the States from which these persons have been selected;

(c) the names of the countries to which they have been sent; and

(d) when they are expected to come back?

The Minister of Health (Rajkumari Amrit Kaur): (a) No person has been sent so far for training in Local Self Government Administration.

(b) to (d). Do not arise.

GROW MORE FOOD CAMPAIGN IN RAJASTHAN

70. **Shri Karni Singhji** Will the Minister of **Food and Agriculture** be pleased to state:

(a) the total amount allotted to Rajasthan, both by way of grants and loans by the Central Government for Grow More Food Schemes upto the end of March, 1954; and

(b) the additional production of foodgrains (in tons)?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) and (b). A statement is placed on the Table of the Sabha. [*See* Appendix II, annexure No. 47].

RECRUITMENT IN RAILWAYS

71. **Shri P. Subba Rao:** Will the Minister of **Railways** be pleased to state:

(a) the total number of applications received for appointment to Class III posts in the Eastern Railway in 1954; and

(b) the total number called for interview and the number of those selected?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) 1,23,407.

(b) Called for interview ... 14,448.
Selected ... 5,939.

मिशनरी अस्पताल

श्री रघुनाथ सिंह :
श्री डी० सी० शर्मा :

क्या **स्वास्थ्य** मंत्री सभा-पटल पर एक ऐसा विवरण रखने की कृपा करेंगी जिसमें १९५१, १९५२, १९५३ और १९५४ में केन्द्रीय सरकार द्वारा उन अस्पतालों को दी गयी सहायता की राशि बतायी गयी हो, जो पूर्णतः या अंशतः ईसाई मिशनरियों द्वारा चलाये जाते हैं ?

स्वास्थ्य मंत्री (राजकुमारी अमृत कौर): इस सम्बन्ध में एक विवरण-पत्र सभा पटल पर रख दिया गया हैं। [**देखिये परिशिष्ट १, अनुबन्ध संख्या** ४८]।

GAYA CITY BOOKING AGENCY

73. **Shri V. Missir:** Will the Minister of **Railways** be pleased to state:

(a) whether any representation for the opening of a Booking Office in Gaya City has been received; and

(b) if so, the decision taken in the matter?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes.

(b) The proposal is under examination.

RAILWAY SERVICES

74. **Shri V. Missir:** Will the Minister of **Railways** be pleased to state:

(a) whether Government have received any representation from the public of Gaya for attaching one bogey comprising of Third and Inter-Classes from Gaya to all Up and Down trains; and

(b) if so, the decision taken in the matter?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) No such representation is traceable.

(b) Does not arise in view of reply to part (a) above.

FAMINE FUNDS

75. **Shri Morarka:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) the names of the States which have established Famine Funds and the amount with which the Funds have been established;

(b) the names of the States which propose to establish such funds; and

(c) the assistance which the Central Government give to the States for establishing such Funds?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) to (c). Information is being collected from the States.

INDIAN SHIPPING

76. **Shri Raghunath Singh:** Will the Minister of **Transport** be pleased to state the quantity of overseas bound Cargo owned by Government or Government controlled bodies which was carried by Indian and foreign vessels respectively during 1954?

The Deputy Minister of Railways and Transport (Shri Alagesan): The required information is not available as the Sea-borne Trade Accounts do not show separately statistics of cargoes on the basis of ownership either of Government or other parties.

EMPLOYMENT IN FOREIGN PLANTATIONS

77. **Shri V. P. Nayar:** Will the Minister of **Labour** be pleased to state:

(a) what percentage of labour employed in the Plantation Industry in 1954 was employed in foreign-owned and/or foreign managed plantations in India;

(b) the total amount paid as bonus to the workers in 1954 in the foreign-owned and/or foreign-managed Estates; and

(c) how this figure compares with the corresponding figures for 1947 and 1951?

The Minister of Labour (Shri Khandubhai Desai): (a) to (c). A statement showing the available information in respect of the States of Assam, Uttar Pradesh and Coorg is attached. [*See* Appendix II, annexure No. 49.] There are no foreign-owned and/or foreign-managed plantations in Punjab, Himachal Pradesh and Tripura. Information in respect of the States of West Bengal, Bihar, Madras, Mysore and Travancore-Cochin is not readily available.

ARTIFICIAL INSEMINATION OF COWS

78. **Shri D. C. Sharma:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) the number of cows subjected to artificial insemination during 1954-55, and the number of successful cases:

(b) the amount spent on the maintenance of bulls, doctors and other staff for this purpose; and

(c) the names of States where such arrangements were made?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) The number of cows artificially inseminated during 1954-55 (upto December, 1954) under the All India Key Village Scheme is 41,823. It it too early to determine the number of successful cases.

(b) The account of the amount spent on the maintenance of bulls, doctors and other staff for this purpose is not maintained separately. It is kept in respect of the scheme as a whole. The figures of actual expenditure are known only in September following the close of the financial year. In this case the financial year 1954-55 is still current.

(c) In all States except in Delhi and the Andaman & Nicobar Islands.

COFFEE PLANTATIONS

79. **Shri D. C. Sharma:** Will the Minister of **Labour** be pleased to state:

(a) the number of temporary and permanent workers (men, women and children, separately) employed in the Coffee plantations in India; and

(b) the total acreage under coffee plantations in the country?

The Minister of Labour (Shri Khandubhai Desai): (a) and (b). The latest available information pertains to the year 1951-52 during which 1,04,805 permanent and 46,372 temporary workers were employed in coffee plantations with a total area of 2,29,521 acres. The break-up of the employment figures into men, women and children is not available.

रेलवे कर्मचारी

८०. **श्री नवल प्रभाकर :** क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) अजमेर के लोको-वर्कशाप में इस समय कितने आदमी काम करते हैं,

(ख) इनमें विस्थापित व्यक्ति कितने हैं, और

(ग) इनमें अनुसूचित जातियों के कितने लोग हैं ?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेशन):

(क) ४,९६५.

(ख) २२७.

(ग) ६९०.

PATNA-MUZAFFARPUR AIR MAIL SERVICE

81. **Th. Jugal Kishore Sinha:** Will the Minister of **Communications** be pleased to state whether Government have examined the feasibility of introducing an Air Mail Service between Patna and Muzaffarpur for the quicker transmission of mails?

The Deputy Minister of Communications (Shri Raj Bahadur): Yes. The Air service is being utilised between Patna and Muzaffarpur for conveyance of mails.

POST OFFICES IN RURAL AREAS

82. **Th. Jugal Kishore Sinha:** Will the Minister of **Communications** be pleased to state:

(a) the latest instructions of Government for opening of post offices in rural areas; and

(b) whether there is a proposal to open a post office in each village where there was a polling booth on the occasion of the last General Elections?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) A copy of Memo. No. Plg. 1-5/53, dated 23-6-53, containing the latest instructions of the Government for opening of post offices in rural areas is placed on the Table of the Sabha. [*See* Appendix II, annexure No. 50].

(b) No; however villages where polling booths were located during the last General Elections, received priority for opening post offices in groups of villages with a population of 2,000 or more provided that they are not within three miles of an existing post office or the anticipated loss of the proposed post office is not more than Rs. 750/- *per anuum.*

28th February, 1955

LOK SABHA DEBATES

(Part II—Proceedings other than Questions and Answers)

VOLUME I, 1955

(21st February to 12th March, 1955)

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LOK SABHA DEBATES

(Part II—Proceedings other than Questions and Answers)

LOK SABHA

Monday, 28th February, 1955

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER *in the Chair*]

QUESTIONS AND ANSWERS

(*See Part I*)

12 NOON.

MESSAGES FROM THE RAJYA SABHA

Secretary: Sir, I have to report the following three messages received from the Secretary of the Rajya Sabha:

(i) "In accordance with the provisions of rule 97 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to enclose a copy of the Indian Railways (Amendment) Bill, 1955, which has been passed as amended by the Rajya Sabha at its sitting held on the 25th February, 1955."

(ii) "In accordance with the provisions of rule 97 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to enclose a copy of the Insurance (Amendment) Bill, 1955, which has been passed as amended by the Rajya Sabha at its sitting held on the 25th February, 1955."

(iii) "In accordance with the provisions of rule 97 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to enclose a copy of the Imports and Exports (Control) Amendment Bill, 1955, which has been passed as amended by the Rajya Sabha at its sitting held on the 25th February 1955."

INDIAN RAILWAYS (AMENDMENT) BILL, INSURANCE (AMENDMENT) BILL AND IMPORTS AND EXPORTS (CONTROL) AMENDMENT BILL.

Secretary: Sir, I lay the following Bills, as passed by the Rajya Sabha, on the Table of the House:

(i) The Indian Railways (Amendment) Bill, 1955.

(ii) The Insurance (Amendment) Bill, 1955.

(iii) The Imports and Exports (Control) Amendment Bill, 1955.

UNIVERSITY GRANTS COMMISSION BILL

Mr. Speaker: The House will now take up further discussion on the motion for reference of the University Grants Commission Bill to a Joint Committee.

As the House is aware, six hours have been allotted for the discussion on this motion. Out of this, three hours and 25 minutes have already been taken on the 22nd February and only two hours and 35 minutes now remain. This would mean that the discussion on this motion will conclude at about 2-35 P.M. when the motion will be put to the vote of the House. Thereafter, the House will take up

[Mr. Speaker]

the consideration of the Drugs (Amendment) Bill, 1954, for which 1½ hours have been allotted. After the disposal of this Bill, the Dentists (Amendment) Bill will be taken up.

At 5 P.M. today, the Minister of Finance will present the Budget.

What time will the hon. Parliamentary Secretary require for replying?

The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das): I will take about 40 minutes. (*Interruptions*).

Mr. Speaker: He has to be given some time after having heard for five hours all that the Members have to say. Perhaps he will try to reply to each and every point. I leave it to him; he will take as short a time as possible and try to curtail. When 40 minutes remain, he will be called upon to reply.

I think before the presentation of the Budget, the House would like to rise for some time. What time will suit?

Shri A. M. Thomas (Ernakulam): 4-30 P.M.

Mr. Speaker: Originally the proposal was to rise for 15 minutes. I think that is too short a time. The House will rise at 4-30 and re-assemble at 5 P.M. That will leave enough time.

Shri S. S. More (Sholapur): On the last occasion when we dispersed, I was trying to make out the point that the constitutional propriety of this measure was open to very serious question. Under item 11 of the State List, all education, including university education, is to be within the competence of the States themselves. But there are some exceptions—some circumscribing exceptions—and I would say that entries Nos. 63, 64, 65 and 66 of List I have to be taken into consideration when the Central Government try to assume some control over this sort of education. Now entry No. 66 says that the Central Government can pass a measure for the purpose of prescribing standards or for the purpose of co-ordination, but the present measure, which appears to be a measure for the purpose of setting up standards, determining standards, and for the purpose of co-ordination is really meant to be a Bill coming under entry No. 63. According to entry No. 63, the three Central Universities are under the entire control of the Central Government, and in addition to these three Central Universities, other institutions which might be declared by Parliament to be of national importance may also come under the controlling influence of the Central Government, apart from the influence of the State Governments. But pretending to act or pretending to legislate under entry 66, an attempt is being made to circumvent the province of this Parliament to declare any institution as a national institution and control is being assumed on all the remaining Universities so that the remaining 28 Universities will be reduced to the position of the three Central Universities. That is my contention.

[SHRIMATI SUSHAMA SEN *in the Chair*]

If we take clause 14: consequences of failure of Universities to comply with recommendations of the Commission, this is the penal clause of the measure. Just as we have got preventive detention, now, as far as Universities are concerned, this clause is about preventive withdrawal of grants or withholding of grants, and therefore, to that extent, it is a sort of police clause in this measure. This clause, I fear, will be utilised by Government and the Central Commission for the purpose of tightening their grip over all Universities. All the Universities suffer from a sort of financial anaemia; they suffer from want of funds, and in their need to have more funds from the Central Government, they will be forced with a bludgeon of uniformity to abide by directives which might be illegal as far as the Universities are concerned. To cut the argument short, I feel that this measure offends against provincial autonomy. Not only that; it goes further. Just as one can kill two birds with one stone, with this one measure Government are violating two kinds of autonomy—provincial autonomy as well as autonomy of Universities. Universities in this country have a long and glorious history. Private members and private academicians, without any strings, have done their best at tremendous cost to themselves to develop these Universities on right lines.

But now this Government, out to centralise all power, are trying to put their thumb in the pot of jam of Universities autonomy. My contention is that it is the business of this House and it is in the interest of the country that we should strive to safeguard the autonomy of Universities. I may say that even the Radhakrishnan Commission, which recommended that such a thing ought to be done, have referred to one of the resolutions of the Sixth Quinquennial Conference of the Inter-University Board—I am referring to page 450 of the Report of the University Education Commission. The concluding portion of the resolution which is given there reads:

> "While appreciating the policy of the Government of India and the Provincial Governments to assist the growth and expansion of university education by financial grants, this conference places on records its emphatic opinion that the autonomy and independence of the universities receiving such grants should not in any way be interfered with."

Putting its seal of approval, this is what the Commission says:

> "We feel that the autonomy of the independent Universities in general is a matter which should be the concern not merely of the Universities but of the Governments and of the public in general. Universities can play a great role only if it is appreciated both by the public and the Government that they function as autonomous units and are free to develop along well-established standards uncontrolled and uninfluenced by the changing waves of democratic passion. At the same time, it must be emphasised that the autonomy claimed by the University should be understood as implying a greater amount of self-control and self-discipline and a sincere desire to work for the higher standards of intellectual integrity and morality."

My submission is that this Bill is not conceived with a view to implementing faithfully and in all its spirit this particular observation of the Radhakrishnan Commission. On the contrary, I fear that this clause 14 has been put into this Bill for the sinister purpose of having a whip hand in this matter. This will be used as a sort of whip chord for the purpose of driving the Universities in a particular direction in which the Government—the Executive Government of this country—desire them to move. We should all resist that.

Then, another point that I want to make is this. Is there any necessity for any such statutory body? Take, for instance, the United Kingdom. There, the University Grants Committee is a non-statutory body. It is a completely advisory body and with all its advisory capacity that body is doing the greatest service for the purpose of education, because it is not central direction which is needed most but is the central funds which are needed most for the purpose of taking the Universities to their proper destination. But, in spite of that fact, we are not importing British precedent here and we are trying to bring into existence a statutory body with Draconic powers. Is there any necessity for such an organisation? That is my relevant question.

[Shri S. S. More]

There are already in the field similar institutions. Take, for instance, the Inter-University Board. It is a non-official organisation in which all the Universities participate and this Board attends to all the common difficulties and tries to bring about in a non-official way some uniformity. In addition to that, there is the Central Advisory Board of Education. That also is a useful body, partly elected, and that Board also, in its different meetings, does give some useful guidance as far as University Education is concerned. In addition to these two bodies, there is already, another institution, the Universities Grants Commission, which was brought into existence by a Government Resolution in 1945 and its ambit was expanded by some orders in 1946 and 1947. When all these institutions are there, I do not see why there should be another statutory body called the Universities Grants Commission. This Government seems to have a very undesirable craving for multiplying bodies and creating different jobs for the purpose of distributing patronage. My submission is that such a body is not necessary. It will be giving a sort of control over the life and the doings of the Universities, which, in the name of uniformity, will kill their initiative, which will not take notice of the different stages of their developments, which will not take notice of the different stages or the different strata of society or their different needs in the vast country. Nobody should try to sit at Delhi with a bludgeon in his hand and try to induce everybody or force everybody to adopt certain standards which are conceived here, but which cannot be translated into reality if we go to the States and see the different conditions prevailing there.

What is the real need? If Government is really sincere in their desire to give some impetus to University education, what is needed is not apparent miserable co-ordination without any funds from the Central Government. In the financial statement an allotment has been shown. At page 10 of this Bill, it has been stated that Rs. 1,50,000 will be required for the purpose of the University Grants Commission Establishment and only Rs. 1,79,62,000 are to be paid for the purpose of education. Will that be enough? If I can speak from memory, our Universities are spending more than Rs. 17 crores for the purpose of education, and in spite of that fact, what is the proportion which the Government bears of this educational expenditure? I am quoting from Education in India, 1950-51, page 136. The direct expenditure on Universities and Colleges of States has been shown and we find that though some of the B Class States are rising to their responsibilities, some of the A Class States are the worst sinners in this respect. Take, for instance, the Bombay State. Only 37.7 per cent. of the expenditure is given by them as State Grant or Central Grant. There are some other States. In Punjab it is 31.13. I am not finding the time to go through the whole table. But, you will find that in the Hyderabad State, 94.2 is the percentage of Government expenditure on this University and College education.

Dr. M. M. Das: In what year, please?

Shri S. S. More: In 1950-51; I was told that this is the latest report available to us. We are lagging in everything, in collecting up-to-date data also. That is the misfortune of our state of administration. This Government is trying to take up a more profitable pattern by operating with only Rs. 1,79,62,000. It is just like a bundle of grass dangled before the proverbial donkey. My submission is that the Government is not doing its duty. The Britisher in the past did make a sort of attempt to introduce uniformity. I have not the time to refer to other reports. But, with your permission, I may quote from the Report of 1902. It was the Reilly Commission. The Commission was directed to enquire into the conditions and prospects of the Universities established in British India, to consider and report upon any proposals which have been or may be made for improving their constitution and working and to recommend to the Governor - General - in - Council such measures as may tend to lift the standard of university teaching and to promote the advancement of learning. This Commission went in detail into all the aspects of university education, the examiners, the professors, their standards, how examinations should be held, what books should be prescribed and every minute matter which pertains to the sphere of university education came under their very careful and exhaustive scrutiny. For anyone who is interested in this matter, this report will be a sort of mine of information and useful suggestions. But, this Commission also came to the conclusion......

Mr. Chairman: I would request the hon. Member to take as little time as possible because there are many speakers who propose to speak.

Shri S. S. More: I propose to be as brief as possible and I do not want to stand in the way of others.

I am referring to a very important point. This Government seems to have that complacent idea that it has for the first time realised the necessity of co-ordination and setting up of standards. Let us go to the Report of 1902, that is more than half a century old. and in para. 194 on page 54 of the Report, it is stated:

> "In concluding the section of our Report which deals with financial questions it seems necessary to point out that the acceptance of our recommendations must inevitably lead to increased expenditure in many directions. While we hope that in many parts of India they will furnish an opportunity to public-spirited and generous benefactors of education, we trust that Government may not be unwilling to reconsider the scale on which it supports and aids the various colleges on which to so large an extent will depend the accomplishment of the reforms that have been sketched in this Report. We have laid down standards of college efficiency and equipment considerably in advance of those hitherto accepted and any such change in our college system will impose upon the Universities also corresponding duties in relation to examinations, control of colleges, and the provision of the means of post-graduate instruction in certain departments. These reforms, if they are to be carried out on the lines indicated in our Report, must mean an increase of both college and university expenditure."

This expenditure, even this Report visualised, must come mainly from the coffers of the Central Government or the State Governments and they realise that such useful suggestions for improving the standard cannot be given effect to simply if they rely on private bounty or the dwindling resources of fees with the growing poverty of the peasantry. Therefore, my submission is that Government do not seem to be very serious about their responsibility. The Radhakrishnan Commission, on page 455 of its Report. pointed out what will be the approximate expenditure if some of the recommendations were to be given effect to:

> "For the next quinquennium the total annual expenditure on these heads will be......."

and after enumerating the heads and the expenditure desired on each one of these heads, they came to the conclusion that a solid figure of Rs. 21,48,75,000 will be required. They further recommended:

> "Of this roughly 60 per cent. will have to be provided by the

[Shri S. S. More]

> Government (Central and Provincial) and this amounts to Rs. 8,69,25,000 recurring and Rs. 4,20,00,000 non-recurring."

Thus, Rs. 8,69,25,000 was the annual recurring expenditure to be provided by Government and Rs. 4,20,00,000 for the purpose of non-recurring grants for a period of five years. In the face of this recommendation, they pretend that they have brought in this Bill for the purpose of implementing the recommendations of the Radhakrishnan Commission, but they are giving effect to half—the unimportant half—of what was recommended by the Radhakrishnan Commission, because in this very recommendation they have stated on page 455:

> "that the State should recognise its responsibility for the financing of higher education;"

That part is absolutely ignored by Government, and out of these six recommendations, they only accept by putting in this Bill that the University Grants Commission be set up for allocating grants. Six particulars are given, and out of the six, five are safely ignored by Government and particularly that for financing education by the States and the Central Government, and only the last item, which refers to the appointment of the University Grants Commission, has been accepted. If the Commission's recommendation has to be accepted, it must be accepted in its full spirit. It is no use complying with some small part of the letter and telling the House "We are implementing it". This is not only distortion of the Commission's recommendations—gross distortion—but it is unfair to the Commission itself because you tear out only one part of their recommendation which has to be viewed in the perspective of the whole picture and then ignore the remaining part. For these reasons, I feel that we must oppose this Bill. I also feel that our university education stands to run into greater danger if this power is handed over to the executive government. The executive government during the past never struck any original path and it was left to private institutions to create new precedents and to lay down new principles. I will take only one instance.. It is the sponsors of the national education who were fighting the Britishers and who were not supported by the Britishers because the national education could not be made to fit in with their bureaucratic pattern of education. It is the sponsors of the national education, it is the supporters and promoters of private institutions who have given not only their thought but even their blood for the purpose of giving a particular shape and form to the national education. In this country the people who go to the university are almost negligible in number because the rich are becoming negligible in number though their financial influence is becoming a major factor, and I would say that the peasantry and the toilers, though numerically, as far as counting of heads is concerned, they constitute the majority of the country, are the most ignored minorities from the point of education, from the point of social amenities and from the point of happiness, and if any weightage has to be given to any minority—we were talking about Jinnah's plan and other plans and we are very profuse with our plans to give weightage to minorities—it should be given to the minority of the toilers and the minority of the poor middle-class people, who have been really suffering under the dispensation of the present Government. This Government is out for a socialistic pattern. I intervened when the Prime Minister was giving us some idea of his socialistic pattern, and I asked him "What are your concrete steps"? He said "thinking". That is his first step and possibly "thinking" would be his last step also.

Shri M. D. Joshi (Ratnagiri South): Correct thinking.

Shri S. S. More: Mere thinking is not sufficient; concrete steps are needed. Merely preparing a menu for a sumptuous dinner is not enough; you must prepare the dish. As far as this measure is concerned, I humbly submit for the consideration of the House that it is not properly conceived; it will not be doing any useful service to the cause of university education; it might succeed in creating a sort of dead, wooden uniformity, which will not be in the lasting interests of the country, and, therefore, I would say that the attempt on the part of the executive to secure, at the cost of a very paltry sum, sweeping control over the lives of the younger generations of the country ought to be resisted with all the forces that we command.

Shri M. D. Joshi: I rise to welcome this measure.

Mr. Chairman: I would request the hon. Member to be brief because there are many Members who wish to speak on this measure.

Shri M. D. Joshi: I shall be as brief as possible. This measure should have come long ago, but as the adage goes, it is better late than never. This Bill has been condemned by very many speakers on the opposite side, particularly my hon. friend, Shri More, who delivered his broadside—and he rejoices in delivering broadsides against whatever comes from this side of the House. He has characterised this Bill as a strangulating measure and he said about some of the clauses that they are foolish clauses.

Shri S. S. More: Not foolish, but police.

Shri M. D. Joshi: Whatever he chooses to call it; he will find, however, that the University Grants Commission or a body like this has been recommended by the University Education Commission, which has been quoted by him so copiously. The Radhakrishnan Commission has recommended already that a small body of five or at the most seven members be constituted to effect co-ordination and maintain standards for university education. This Bill seeks to implement what the Radhakrishnan Commission wanted, and therefore, I am at a loss to understand the very strong objection taken by my hon. friend there. But I can understand the object of their objection, because the Opposition Members do not want any sort of control on the part of the Government over institutions. Only two days back, we had the spectacle of a resolution about the broadcasting corporation put forth by an hon. Member from the Opposition Benches. There it was said that there should be no control by Government on any of these institutions. Well, I am unable to appreciate this kind of reasoning. Our nation is engaged in the great task of rebuilding our society on a new pattern. Government must have in mind certain programmes. It has a Five Year Plan and therefore it has to proceed along certain lines. It is no use saying that formerly our institutions proceeded on private enterprise and that formerly they used to oppose the British imperialists. It is all very well. It was our business then, when there was foreign domination, to see that all our institutions and our younger generation had to grow in a spirit of revolt against foreign domination. It was all very well then to oppose Government, but now, when the Government is there established by the popular vote, it is ununderstandable on anybody's part—be he from this side of the House or that side of the House—that the good measures of Government should be opposed even by educative bodies. We have this sight: on the one hand, all Opposition Members condemning outright any measure of Government, and we have the other specimen: in this morning's papers there is a report in which the Chief Minister of an important State—Mysore—has given vent to a feeling and to an idea with which it is difficult to express one's agreement. I shall, for the information of the House, read one or two lines. He said:

> "The idea of giving autonomy to the Universities was a feudal one which originated in England at a time when Universities were more or less private enterprises conforming to a policy of *laissez*

[Shri M. D. Joshi]

> *faire.* These are days of planning and socialism, and central control and direction are inevitable whether it is in the administrative or educational or economic field."

. This is the other extreme. I do not like the extreme mentioned by my hon. friend, Shri S. S. More, and I do not also like this other extreme. I do not of course like a state or a condition in which the universities or educating institutions are bound hand and foot and have to look to Government at every step. This is a condition which I myself would not welcome.

Then there is another report in the same issue of the newspaper from which I quoted earlier, where the Education Minister of another important State has warned the university that if they do not take certain steps, they will have to take measures against that university. That is also not a very wholesome state of things.

Shri S. S. More: It is a politician's threat to an academic institution.

Shri M. D. Joshi: You are entitled to your opinion.

Then, I would mention the note of golden mean which has been struck by Dr. Lakshmanaswami Mudaliar, which is a very welcome note. I crave your permission to read one or two lines from what he said:

> "When we speak of university autonomy, let it be clearly understood that it is a type of freedom from unnecessary shackles and not a liberty which will degenerate into licence."

That is the only attitude which universities should take.

Now, I am of opinion that a certain kind of control on the part of Government is necessary over our universities in the present state of things. Why? Because, when we are engaged in this gigantic task of rebuilding our nation, it is but proper that all our institutions, educational and others, should proceed along certain definite lines which are of a national character. Our pandits and learned men who are managing the universities have been brought up in a particular atmosphere. They were educated in the previous generation. Many of the professors do not even like the prospect of an introduction of Hindi in the universities. I have come across several of my friends who are teachers and professors in universities and colleges, who are struggling against the prospect that after all they have to give up the English language and have to take up Hindi as the medium of instruction. This is only one thing which I have mentioned. There are several other things; take for example, basic education. Basic education is a thing which is very bitterly disliked not only by the learned pandits but even by certain primary teachers. Government have got to control this sort of tendency. If Government is not courageous enough to control this sort of reactionary tendency, then Government ceases to function. Therefore, I am definitely of the opinion that Government must step in to exercise effective control on educational institutions which are of a refractory nature.

I will mention one more thing. The Bombay Government have set a certain limit or standard of age by which a student should enter the university. The age limit is 16. The idea is that boys of very immature age should not enter universities for higher education. It is all a good idea no doubt, but all the other universities must take measures and devise rules so that one age should be obtainable in all the universities for entrance into the university. The Bombay Government goes in one direction; the Bombay Government is rightly considered to have advanced views. But there are also other Governments which hold advanced views but they are pulling in other directions. There must be somebody, some agency, which effects co-ordination in all these ideas and puts the universities on an equal footing. What happens is, for example, this: I shall take, for instance, the medium of instruction. There is a tussle going on at present in our country about the medium of instruction. Some people say that the medium of instruction should be the regional language. Some say it should be Hindi, and some cling to the hope that for several years English may be retained.

The number of such persons is dwindling. However, lovers of English there are in this country who cannot get reconciled to the idea that after all it is the regional language or the national language which has to be the medium of instruction.

About this medium of instruction there are different groups pulling in different directions in different Universities. It is high time that our Central Government took strong steps to effect some kind of control in order that all these Universities may go in one direction and proceed in the same pace.

Therefore I submit that this Bill has not come a day too soon. This Bill devises certain clauses which contemplate control in the matter of coordination of studies, co-ordination of educational programmes and also maintenance of certain standards in the Universities.

I shall not discuss the clauses in detail. About the constitution of the Commission what I have to say is this. There are three sub-clauses, (a), (b) and (c) in clause 5(2). Sub-clause (a) says "not less than one-third of the number of members shall be chosen from among the Vice-Chancellors of Universities and heads of institutions deemed to be Universities under section 3". Sub-clause (b) says "not less than two members shall be chosen from among the officers of the Central Government to represent that Government". And sub-clause (c) says "the remaining number shall be chosen from among persons who are educationists of repute or who have obtained high academic distinctions or who have experience in administrative or financial matters". This part of the clause, that is, sub-clause 5(2-c) is, in my opinion, superfluous or unnecessary. Some might say it is objectionable. Because under clause 5(2)(b) not less than two members will be chosen from the Central Government. It will be the officers of the Central Government. In sub-clause (c) it is said that "the remaining number shall be chosen from among persons who are educationists of repute"—that is all right—"or who have obtained high academic distinctions"—that is also all right—"or who have experience in administrative or financial matters". That means they may be persons who may not have any kind of educational experience, who may not have any kind of educational qualification, who may have been merely administrators. Therefore I think that this portion of the clause should be omitted so that the composition of the Commission will be unobjectionable.

Then about clause 9 I have to say that the Commission is empowered to take associate members for its deliberations. The associate members will not have the power to vote but will have the power to deliver their opinion. That is unobjectionable. But nowhere in this Bill is the State Government considered as a necessary factor. It is the State Government which is giving the grants. It is the State Government which has created several Universities; each State Government has got several Universities. And it is the State Government which is managing those Universities and Education, from top to bottom. But the State Government as such is given no recognition whatsoever in this Bill. I think this is not very desirable. I think that each State Government should be associated, and therefore an obligatory clause should be put in by which it will be necessary for the Commission to have on its associate members' panel such members who will represent the State Government adequately.

I have to mention one subject of very great importance. I do not want

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to take longer time than is absolutely necessary for my purpose, and therefore leaving aside smaller points I shall concentrate on one major point. And that is the necessity of establishment of a Sanskrit University. We know that Sanskrit was taken notice of by the former foreign government. But today the importance of Sanskrit has heightened manifold, ten times or a hundred times. Because, Hindi is the chosen national language, and the vocabulary of Hindi is drawn, in the main, from Sanskrit. Sanskrit is the source, the repository which the vocabulary of Hindi will draw upon. But unfortunately as regards imparting instruction in Sanskrit our various Governments have not made adequate provision. I do not know of a single Sanskrit University or a Sanskrit college which is receiving adequate help. There are over two thousand Sanskrit *patha-shalas* and about eleven Sanskrit colleges. But there is not a single University which can co-ordinate the studies in all these institutions, which can prepare a scheme of education from beginning to end. Each *patha-shala* or each college is going its own way, and there is no proper co-ordination or control over all these institutions. When India has come into its own and when India is boasting of her hoary past, is it not necessary that some kind of arrangement is made, some kind of measure is taken to preserve our very glorious ancient literature and to impart instruction in that literature to our younger generation who will be the future nation-builders? Therefore I very humbly submit to the attention of Government that a Sanskrit University may be created. Its seat may preferably be at Banaras or, if not, at Delhi or at any other centre which is known for its Sanskrit lore. That is the one suggestion which I have to press for the attention of Government.

As regards secondary education, my hon. friend Mr. N. M. Lingam dealt with it to some extent. Therefore I shall not take longer time of the House in dealing with that question again. But while discussing this problem of secondary education with several of my friends who have experience of that branch, I found that there is serious discontent among teachers about the state of secondary education that obtains at least in my State. The discontent may be well-founded or may not be justified. I have nothing to do with that. But it is not a healthy state of things that the Central Government should be sitting with equanimity at this spectacle of various Universities pulling in various directions and various Governments either checking the Universities or not checking the Universities at all. Therefore, the State Government should evolve a scheme, as suggested by the University Commission, in the primary, secondary and higher branches of education. That is the purpose for which the establishment of a University Grants Commission is absolutely necessary.

Shrimati Sucheta Kripalani (New Delhi): I welcome this Bill because I feel that an institution like the University Grants Commission can do a lot of good in this country. In this Bill, in the Statement of Objects and Reasons it is said that the University Grants Commission will co-ordinate the activities of the Universities, will determine the standards in the Universities, and also will see to the proper allocation of funds. There is enough scope for that kind of activity in this country. I think this Bill has come rather belatedly. As early as 1949, the University Commission recommended that such a Commission should be created. There is now greater need for such an institution, because, recently, in the last few years, many new Universities have come into existence. These Universities are struggling for funds. We have also to see that proper standards for higher education are maintained. There is another difficulty also. Since the attainment of Independence, there is a demand that the Universities should impart education in the regional languages. When the Universities gradually take over to the regional languages, various difficulties will be created. At that time, Government will have to co-ordinate their activities and see that standards are maintained. There is also the work of co-ordination between the Universities regarding the distribution of specialities. There are a number of activities which could come under the purview of such an organisation. But we have to see that such an organisation functions properly and that the composition is satisfactory.

As far as I can see, the University Grants Commission has been modelled on the University Grants Commission in the U.K. This organisation in England is working very well since 1919. It has played a very important role in co-ordinating the activities of the Universities, in developing the Universities and in giving proper funds to them. Unless this body functions properly, the whole object of creating such an institution will be frustrated. Let us, therefore, compare the composition and functions of the British University Grants Commission with the one that we are now envisaging. I shall first take up the composition of the British University Grants Commission. The British Commission has no official or bureaucratic element in it. It is composed of eminent academicians who have influence and command respect in learned and University circles. I would like to quote a few lines from this Book, Government Assistance to Universities in Great Britain. About composition, it says:

> "These are all University men themselves. They are naturally interested in having the Universities of Great Britain adequately and intelligently supported. Hence their desire to have as members of the advisory bodies persons who will command the confidence of the recipient universities and of whatever public is interested."

Let us take the Chairman. There have been only two Chairmen. Both of them have been drawn from the University ranks. The first Chairman was:

> "...Sir Walter Moberly, a lecturer in political science, professor of Philosophy and Vice-Chancellor of Manchester."

After him came Dr. A. E. Trueman, F.R.S., a geologist at the universities of Wales, Bristol and Glasgow. What is the composition of the other members? This report says:

> "It now includes a professor of German, a master of a Cambridge college, the principals of Ruskin and Somerville, a professor of the humanities from Aberdeen, the director of the Royal Botanical Gardens, a distinguished economist, and two prominent medical men. In the past a Nobel Prize winner and a president of the Advisory Council on Scientific policy each served for a number of years."

Such are the people who compose the University Grants Commission in England. Then, as to their functions, this body functions informally and in a very friendly and delicate manner. In 1946, when the terms of reference were widened, it was in these terms:

> "To enquire into the financial needs of University education in Great Britain; to advise the Government as to the application of any grants made by Parliament towards meeting them; to collect, examine and make available information on matters relating to university education at home and abroad; and to assist, in consultation with the Universities and other bodies concerned, the preparation and execution of such plans for the development of the universities as may from time to time be required in order to ensure that they are fully adequate to national needs."

In these terms of reference, there are no words which would give you an idea that this is a body which would supervise and control. There

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is no idea of control at all. It is one of help, assistance and advice.

How does it function? Like many other British institutions, it functions in a very delicate manner. They work; they do not show that they are working; they do not show that they are dominating. I shall again quote about the manner in which this institution has been functioning.

> "The real way in which the University Grants Commission can get forward depends entirely upon a free, frank and informal standing contact, not bound by regulations or formalities."

Further, the report says:

> "The University Grants Commission exercises great power although its hand is never shown publicly. It does not issue an annual report. It makes no public statements. It has no informal spokesman in the Press or elsewhere..."
>
> "The University Grants Commission presents no materials for the colleges of Oxford and Cambridge other than a record of the number of students. Because of this, none of its financial tables gives a full picture of the university situation."
>
> "It gives no breakdown by individual universities of earmarked grants. It does not tell in any detail the nature of the non-recurrent grants... etc."

In this very friendly way, the University Grants Commission in England functions. The report that it gives in regard to past operations and future needs is not given institution-wise, but field-wise. It is said in the report:

> "....for there are no detailed data presented by the U.G.C. to make it possible to judge whether University 'A' is getting more or less than University 'B', or what the comparative costs of construction and equipment happen to be."

The result is this. The weaknesses of the different Universities are not exposed. There is no unhealthy rivalry for securing Government grants between the different Universities. There is cordial relationship between the Grants Commission and the various Universities. Let us now see whether we are creating by this Bill such an institution and whether it will fulfil the same purpose as this institution. First of all, I shall take up the composition.

Clause 5 of the Bill says that there will be two Government representatives on the Board. In the British Commission, Government representatives are prominent by their absence. In the Bill, there, no mention is made as to who should be the Chairman. But, here, we have already an existing University Grants Commission. The Chairman of this body was, first, Dr. S. S. Bhatnagar and now, the present Secretary of the Education Ministry. We have nothing against these persons individually. But if the Secretary of the Ministry of Education becomes the Chairman of this Commission, I am afraid, the bureaucratic influence on the Commission will be very great. The Commission will not be able to function as an independent body, as it should if it is really to work for helping the universities and in developing higher education. As it is, in India, the danger exists of too much interference by the Government in the University affairs. I will not go into details because of shortage of time. I shall just give one extract from the Report of the University Education Commission. This is the evidence given by Shri P. M. Lad, who is now the Secretary of the Information and Broadcasting Ministry, before the Commission. This evidence is about the Bombay University, which is supposed to be one of our most advanced Universities. This is what he says:

> "Every proposal for affiliation of a college must go to the Government. I would suggest that the Government should not have the power to waive some of the

> conditions laid down by the University. Governments may have power to order an enquiry in extreme cases, but Government should not impose its will on the University.

Please mark his words:

> "Government should not impose its will on the University."

There is a genuine fear that there is already too much interference by the Government in the Universities' affairs, and that this body may further help in this tendency. Besides, we know that since the attainment of Independence, some politicians are unduly interferring in the Universities' affairs. I do not wish to quote many examples, but I shall only quote the example of a neighbouring university—the Lucknow University. It is a notorious fact that one important politician of the province dominates the university. If such a thing happens, it is very natural that the university cannot progress in the proper way.

1 P.M.

The University Education Commission is very alive to this danger and that has been expressed in page 450 of its report which has been already quoted by Mr. More. So, I will not take up the time of the House by quoting it again.

In this connection, the University Grants Commission of England has something to say. It is very essential for the proper development of higher education that there should not be any undue interference, and the autonomy of the university must not be interfered with in any way.

The University Grants Commission, England, after reviewing the development of Universities between 1937 and 1947 states in the Report:

> "The relationship between the State and the Universities may be conceived as a form of partnership. On the side of the Universities there is every evidence of a progressive spirit and of a genuine desire to accommodate their policies to the various demands of public interests. On the side of the Government, there is recognition of the overriding duty of those who follow the academic path to ascertain truth and to proclaim it without respect to the convenience of the Government."

I emphasize the last sentence, *viz.* "that the overriding duty of those who follow the academic path is to ascertain the truth and to proclaim it without respect to the convenience of the Government". If this high ideal has to be maintained, we must be very careful when we establish such an institution.

Then, I come to the matter of the operation of funds, because one of the most important functions of such a body would be proper allocation of funds. How does the British Committee function in this matter? Their object being to help the University to plan and build and not to use the instrument of financial control for undue interference or exercise of control, they give grants in three ways. Firstly, they make block grants. While making block grants, the universities make an estimate of their normal requirements over a period of five years. The sums, after consultation and agreement, are sanctioned. It helps Universities to plan out with ease. Once a grant is made, the internal disposal is a matter for the University. When such a grant is given for five years, the University can plan in its own way. Every year they do not have to suffer from uncertainty. Suppose they start a plan this year, they know that next year they will have to take a few other steps and enough funds for that will be forthcoming.

The second is earmarked grants. These are annual grants for specific purposes. Here, of course, the Universities place before the Commission whatever they require, and after consultation and agreement, the amount is granted. Once the amount is sanc-

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tioned, they cannot interfere in that matter.

Then also, there are non-recurring grants, annual grants mainly for capital and other outlay.

So, in this way the grants are made. They do not interfere with the affairs of the university or its internal working.

Secondly, very large funds are placed at the disposal of the Grants Commission, because, unless they can give adequate assistance, there is no meaning in creating such an important body.

The Bill in the Financial Memorandum says that the total amount for this year would be Rs. 1.81 crores. This is a very inadequate amount. If this is an indication of the future picture, then I should say that we have unnecessarily created this huge organisation for a very small purpose.

Shri S. S. More: We are purchasing control at that price.

Shrimati Sucheta Kripalani: It is now recognised that for higher study and research, adequate public funds must be available. This is also recognised in India because in the Report of the University Education Commission this matter has been very thoroughly discussed. The Report of the University Education Commission says that in India the Government should meet 60 per cent. expenditure, 30 per cent. should come from fees and 10 per cent. from endowments. The total of this would be Rs. 8.69 crores from Central and Provincial Governments and Rs. 4.20 crores recurring for five years in the shape of annual grants. They say that if such an amount is made available, only then adequate tuition, library, scholarship and freeships, laboratories and hostel accommodation can be made available for the students. Then, they go further. They say that we need more professional educational institutions, that these institutions should be doubled in the next ten years, and further that the Government should meet 60 per cent. of the recurring expenditure, and 75 per cent. of the capital expenditure. Further, even for affiliated institutions which now get very little help from the Government, they say that if these institutions are to have a proper academic atmosphere and to function properly, the Government should give grants to cover half the salaries of the sanctioned posts. All this requires a huge amount. If all that amount is made available, then only this Grants Commission can function properly in the matter of allocating funds to the Universities in order to help the Universities to develop on the right lines.

Now, I would like to compare the conditions obtaining in Britain I am trying to hurry as much as possible because of shortage of time, but some figures have to be quoted. Now, university income sources in Great Britain are these. I shall give you two years: 1935-36 and 1949-50. Through endowments in 1935-36, the Universities secured 14.5 per cent., and in 1949-50, 5.7 per cent. Through donations and subscriptions, in 1935-36 they secured 2.5 per cent. and in 1949-50, 1.7 per cent. Through grants from local educational authorities, they secured 8.7 per cent. and 4.6 per cent. respectively. And this is the most important thing. Through Parliamentary grants, in 1935-36 they got 34 per cent. and in the latter year they got 63.9 per cent.—practically 64 per cent. Then through fees, it was 32 per cent. in the earlier year and 17 per cent. in the latter year. So, now 64 per cent. of the needs of the Universities are met from Government funds in England.

Then, in the matter of scholarships and freeships, the Commission in the United Kingdom assists a large number of students through freeships and scholarships. In 1949-50, 62,000 students out of 85,000 students, *i.e.*, 73 per cent. of the students got freeships and scholarships. In India, our University Educations Commission report says that the present position is that about 10 per cent. of the total enrolment is entitled to exemption from payment of tuition fees. What does it amount to? Exemption from payment of tuition fees amounts to 1/6 or 1/5 of the total expenditure of the students. Then, as far as Government university scholarships are concerned, they do not generally exceed one per cent. That is the dismal picture of educational condition in India.

This report recommends that 12,500 scholarships of an average of Rs. 600 per year should be granted and 37,500 freeships of Rs. 250 per year should be granted. This alone would bring us to an expenditure of Rs. 1.68 crores a year. The University Education Commission recommends that Rs. 1.6 crores should be granted merely for freeships and scholarships, and the total amount provided here is Rs. 1.81 crores for the entire functioning of the Commission. That shows we are not really serious about it. We really do not want this big institution that we are creating to function in a proper way as it has functioned in England. If we give these scholarships. 15 per cent. of the total enrolment will get free places and 5 per cent. will get some scholarship.

I will give you a few more figures. The total that we are spending on education in India is 5 per cent. In the United Kingdom it is 11 per cent. and in France 12 per cent. So, if we are really serious about the creation of the University Grants Commission and allowing it to function properly, much more funds than what has been made available should be made available to it.

Then, there is a small matter to which I would like to refer because we are discussing this in Delhi. In giving funds, the University Grants Commission must be very careful to see that it does not create new difficulties for the universities. Recently, in the Delhi University, the University Grants Commission gave some money and asked them to raise the pay of the university staff. The Delhi University has federative character and it was the rule here that all the staff, whether of the constituent colleges or the University college, should get the same pay. By creating this invidious distinction, much confusion has been created in the ranks of the college staff. So, instead of this body helping the University, easing the difficulties of the University, it has created a new difficulty for the University. So, not only has the Government to be very careful to see that the composition of the Commission is proper, that it functions properly, but the Commission itself must be careful to see that it does not create new difficulties in the realm of education.

In conclusion, I would like to say that either we should not pass this Bill and should not create this institution—for as Shri S. S. More has said, there are already other bodies which are doing almost similar work—or if we create this institution, then we should see that it plays the rightful role that it should play and which a similar institution is playing today in England. I would urge the Members of the Select Committee to see that the composition of this Commission is not such that the bureaucratic element gets an opportunity to dominate over the institution, and through their domination, through their financial control, take away the autonomy of the Universities. It is the responsibility of all of us, of each one of us who have had the good fortune of receiving University education to see that the autonomy of the University is zealously safeguarded. I hope the Members of the Select Committee will see to it, because I feel that the intellectual life of no country can develop under the shadow of a domineering bureaucracy. Today, India is suffering from an over-dominant bureaucracy. Let this bureaucracy not spread its tentacles into the realm of University education.

Mr. Chairman: Next, I call upon Shri Barrow. As there is quite a good number of speakers, I would request the hon. Member to be very brief.

Shri Barrow (Nominated—Anglo-Indians): I shall be as brief as possible. I start by welcoming the idea and the principle of establishing as a statutory body, the University Grants Commission. I am grateful to my hon. friend Shri S. S. More for focussing attention on the fact that this device for co-ordinating and—I would not like to use the word 'controlling'—maintaining standards in our universities is patterned on the British model. I also thank him for drawing the attention of the Select Committee to the fact that when the resolution of the 6th Quinquennial Conference of the Inter-University Board was considered by the University Education Commission, the Commission took particular note of the latter part of the resolution, namely:

> "the emphatic opinion that the autonomy and independence of the universities receiving such grants should not be interfered with."

I want to focus attention on the atmosphere, the circumstances and the context in which the British University Grants Committee was created and established, and the atmosphere in which the Grants Commission here is being established.

I refer to this advisedly because it will be fundamental in determining the scope and extent of the powers delegated to the Commission, as I believe that we must not interfere with the autonomy of our Universities, nor must we interfere with their academic freedom. By academic freedom, I mean the right to teach what one believes to be true.

The hon. Member from Ratnagiri, who is not present now, used the word 'control'. If all our universities are going to be controlled by the State, then I believe that the State will be guilty of the greatest tyranny, the tyranny of the mind. I believe also, that if we are to follow the advice—which was read out by my hon. friend from Ratnagiri—of the Chief Minister of Mysore, then we will be introducing into our universities, into our University scheme, a kind of bed of Procrustes; we will lop off and stretch and bring about a dead uniformity. We must not control them. The hon. lady Member Shrimati Sucheta Kripalani has spoken of the subtle way in which the British University Grants Commission functions, and that is the ideal we should aim at.

I believe, that when the Grants Commission in Great Britain was inaugurated or established in 1919, it was done with a view to, "encouraging and facilitating limited improvements as the Universities could see their way to undertake". There was no question of any control; it was only a limited function to encourage and to facilitate, and it was done in an atmosphere of reverence for British Universities as centres of learning, of respect for them as centres of free enquiry and freedom, and as centres of advanced research. It was in this atmosphere of respect and awe that this Grants Commission in the United Kingdom was established.

But what do we find in India? Every petty person, speaking on every petty occasion criticises our university system, criticises our system of education—whether they are fitted to do so or not is another matter. On any occasion, whether it is a prize-giving at a primary institution, or the Convocation of a University, some one will criticise our system of education, as if to say our Great Men of Learning. who are controlling the Universities. do not realise the shortcomings. It is in this atmosphere of suspicion and distrust that we are establishing a University Grants Commission. We must allay distrust, we must allay suspicion that we are trying to gain control of the Universities. We must encourage and facilitate; but we must not try to direct or control. I would ask the Select Committee to remember that in bringing the Bill in its final form to this House, they must be careful to avoid any suggestion whatsoever that the Central Government is trying to control and direct the Universities.

How can we achieve this purpose? I would refer here to an article written on "State Aid to Britain's Universities", by the Editor of the *Times Education Supplement*. He says:

> "The strongest evidence that the autonomy of universities is a reality and not merely a pious fiction is afforded by the facts that the Treasury Grants to them"—I emphasise this in particular—"is not subject to any form of government audit, and that they have the absolute right to select the students they will receive and to give them the courses they believe most appropriate."

I want to emphasise again the fact that when the grants are given, there is no question of a government audit. Those of us who are acquainted with Government audit know what a deadening influence it can be on any freedom or expansion.

I would ask the Select Committee to consider carefully sub-clause (j) of clause 26, where provision is made for framing rules:

> "any other matter which has to be, or may be, prescribed."

I say that the Select Committee must make explicit and specific provision under this clause excluding any form of Government audit; otherwise, I believe the autonomy of our universities will be threatened and endangered.

I have referred to the atmosphere in which the British Grants Commission was created, and that in which the Indian Grants Commission is being created. I want also to refer to the context in which the Grants Committee is working in Britain and in which our Commission is going to work.

In Great Britain the Grants Committee is the dominant financial body. It provides, according to the 1951-52 figures, 66.5 per cent. of the income. and the Local Education Authority provides 4.1 per cent. In India—**Shri S. S. More** has already given us the figures, and I do not want to go into them—the States are going to be, according to the University Education Commission's Report, the 'principal paymasters of all the Universities but three'. Now, we are going to introduce another financial factor, that is, grants from the Centre. In this tug of war, between the centre and the States, with the noose round the independence and autonomy of the universities, it is easy to visualise what will happen.

When the Select Committee is considering this Bill, they have to be very careful to specify the scope of this Grants Commission. I believe that that is absolutely essential, if the States on the one side and the Centre on the other are not going to toss the universities about.

The Radhakrishnan Commission suggested that the University Grants Commission should be responsible for post-graduate and research work, and that it should bear 50 per cent. of the cost, and should have—I would not like to say a major controlling influence—a major influence in post-graduate and research work.

I am going to differ, and do so with great humility from what has been suggested by the Radhakrishnan Commission. I suggest that the scope of the University Grants Commission should be limited to the first degree course. I say this advisedly because education at the school stage is a State subject. If there is to be any uniformity of standards in the secondary stage, it can be attained, I believe, by the first degree course helping to maintain those standards. I believe also that if there is a certain uniformity of standards in the first degree course, then the research work must necessarily be of a higher standard.

I believe again, that eventually, in the India to come, every boy or girl entering the University should know, and must know, three languages—the

[Shri Barrow]

mother tongue or the regional language, Hindi and English. If this Grants Commission is able to influence the first degree course, then it will be able to help and develop these three languages which will be absolutely essential for every student. I suggest emphatically that the scope of this Commission should be limited strictly to the first degree course.

I believe, also that it will give the Commission some experience—the Commission is going into this thing absolutely new—so that it can work out a pattern of partnership, which will give confidence to the Universities, and confidence to the States, that the Commission is going to work in co-operation with them. I end with these words: the problem of the Select Committee will be to reconcile two principles: the principle of planning—Central and State planning—and the principle of University autonomy.

Dr. Krishnaswami (Kancheepuram): I believe that all sections in this House are agreed that there ought to be a University Grants Commission for allocating funds to different Universities on objective grounds. The questions that face us are: what should be the composition of the University Grants Commission, what is the degree of interference that the executive can be allowed in the constitution and the working of such a Commission. At the outset, let me refer to certain elementary details which have probably escaped the attention of my hon. friend, the Parliamentary Secretary, who is piloting this Bill. He has referred to 'co-ordination and determination of standards in institutions for higher education or research and scientific and technical institutions' being the main objective and the purpose of the proposed University Grants Commission. Parliament, according to the Constitution, has been clothed with exclusive authority to co-ordinate and determine standards in institutions for higher education or research and scientific and technical institutions. The purpose of the Constitution-makers, I take it, is that Parliament should lay down general principles to be followed in constituting a Commission for achieving the objectives laid down in the Seventh Schedule of the Constitution. Such a Commission has necessarily to be autonomous in character. The nature of education, the cultural diversity of educational effort, the difficult problems that meet us in the higher reaches of education and the manner in which standards ought to be determined cannot, and should not, obviously be decided by the executive; these must be determined by an objective and independent body which should not be the handmaid of the executive. That, I take it, is the guiding purpose and the objective of this Bill. But, the manner in which we have departed from this objective is a matter for profound regret, which, I hope, the Joint Committee will take note, and rectify in time.

The point, however, which has to be borne in mind and which, I believe, is emphasised by all sections of this House is that the University Grants Commission must be a properly constituted Commission. Without its being a properly constituted Commission, it will not command the confidence, not only of Universities but also of educationists and all citizens who are interested in the cultural development of our country. Education cannot be regimented; educational development has to be considered carefully and has to be co-ordinated after taking account of the various aspects which go to determine the criteria of a full and purposeful culture. Especially as we intend giving vast powers to the University Grants Commission—and I refer hon. Members to clause 3 since that clause gives us a clear idea of what the University Grants Commission is intended to be—it is all the more necessary that the University Grants Commission should be a properly constituted body. Clause (3) reads as follows:

> "The Central Government may, on the advice of the Commission, declare,. by notification in the Official Gazette, that any institution for higher education, other than a University, shall be deemed to be a University for the purpose of this Act, and on such a declaration being made, all the provisions of this Act shall apply to such institution as if it were a University within the meaning of clause (f) of section 2."

I suggest that in order that the advice might be proper, in order that the advice might also be of such a type as to give a proper guidance to the Government for determining and allocating funds available to the various institutions and for bringing them up to a proper standard, the Commission should be so constituted as to be autonomous and independent of the executive. My learned friend, Shrimati Sucheta Kripalani, pointed out that the University Grants Commission in the United Kingdom was a purely advisory body and....

Dr. Lanka Sundaram (Visakhapatnam): She is not so learned as he suggests.

Dr. Krishnaswami: At least, she is more learned than my hon. friend, Dr. Lanka Sundaram, who always intervenes when there is no necessity to intervene. But I should like to point out that in the United Kingdom the University Grants Commission is an advisory body. We are not to have an advisory body; we are to have a statutory body. Let us therefore have a purely statutory body instead of having a hybrid mouster as in the Bill that has been introduced. What should be the constitution of the University Grants Commission? I do not have the time to go at length into the various aspects of the constitution of this body, but I should like to point out that one of the principles that would have to be accepted by this House is that the constitution of the body should be, as far as possible, elective. If members are elected, they would be beholden to the Universities; but if they are nominated, they would be beholden to the nominating authority. That is the basic principle; that is the reason for my suggesting that, as far as possible, the University Grants Commission should be predominantly an elected body. But I agree that there are practical difficulties which should be taken into account and that occasionally we have to make reluctant concessions to the principle of nomination. I am willing to concede that if this body is constituted on the basis of election, some of the backward Universities might not be represented. Nomination, at any rate, gives the Government the power to provide for better regional representation of some of the Universities which might not find a place in the University Grants Commission. If this be the dominant consideration, and this is a rational justification for adopting the principle of nomination Government should be content with exercising the right of nomination instead of taking upon themselves a residuary power, the formidable power to eject, to throw out those Vice-Chancellors who might be considered obstreperous by them but who possibly are independent and are a source of inconvenience to the executive as all men with a conscience are. I have not been able to understand how any Government which takes the idea of university education seriously could ever give support to a proposal that 'every member shall, unless his appointment is terminated earlier by the Central Government, hold office for a period of six years'. The roots of independence of a University Grants Commission are cut by this provision in this Bill. Why should the executive have the power, once it has exercised the right of nomination, to exercise at any moment the power of ejection of an inconvenient member from the Commission? Rather than allow the executive to exercise this power, I suggest to the House and the Joint Committee that the tenure of membership be re-

[Dr. Krishnaswami]

duced from six to three years so that the need for exercising this power may not arise at all. Remember, after all, that if the University Grants Commission is to be taken seriously, it must command the confidence of educationists. But if it is felt that at some stage or the other somebody from the Ministry of Education has the power to remove any inconvenient member, then it would be next to impossible to build that feeling of corporate respect, which we all have at heart and which the Minister desires to promote. This is an obnoxious provision which should not find a place in this Bill, and which I do hope the members of the Joint Committee would remove. It touches the vital question of the self-respect of those members who are to be nominated to that body. Even if we reluctantly accept the principle of nomination, as I have suggested, there can be no possibility of our accepting the other principle, namely, that of members being ejected if they do not happen to agree with the powers that be in the executive. I do not go into the question of the propriety of nominating officials of the Government of India on this body. But the very fact that Government will have two members on this body underlines the need for this provision being omitted altogether. The sword of Damocles held over the heads of the various members of the University Grants Commission is not fair and will not conduce to the production of those objective reports on the conditions of the University, to the evolving of those criteria which are important for determining standards, and which would help us to find out what the standards of University education are. Since Parliament has been given the fullest power in the Union List to determine the standards, we cannot choose to abrogate our powers to the executive. The executive is after all different from Parliament; it is Parliament that has the primary responsibility.

I have looked into the other provisions of this Bill and two provisions of this Bill have struck me as rather odd. I refer to clause 12. It deals with the functions of the Commission and I hope I am not taking the time of the House in quoting one or two sub-clauses of this clause for the purpose of elucidating the point that I have in mind. Clause 12 reads as follows:

> "It shall be the general duty of the Commission to take all such steps as it may think fit for the co-ordination and determination of standards of teaching and examination in Universities, and for the purpose of effectively discharging its functions under this Act, the Commission may—
>
> (a) inquire into the financial needs of Universities;
>
> **(b) allocate and disburse, out** of the Fund of the Commission, grants to Universities for any general or specified purpose:
>
> Provided that in making any such grant to a University, the Commission shall give due consideration to the development of the University concerned, its financial needs, the standard attained by it and the national purpose which it may be called upon to serve;"

What are the national purposes that the framers of this Bill have in view? I should have thought that Universities are constituted under a Charter or under an enactment of the Legislature and once they have been so constituted under an enactment of the Legislature, the purposes which they are expected to fulfil are absolutely national. It is therefore unconstitutional, apart from its being improper on the part of an outside authority, to tell the Universities that there are national purposes other than those in enactments for them to fulfil. Such directives militate against the autonomy of States which are responsible for the creation of University. Besides, who is to determine these national purposes? It has been left delightfully vague as to what national purposes they may be called upon to fulfil. In other words, it means that somebody from the executive, somebody from the Education Department would have the right to issue directions and tell the Universities that if these directives are not fulfilled because they are supposedly in the national interest, the University Grants Commission would withhold grants to Universities. Can anything more perverse be thought of? If this provision finds a place in the enactment, Universities may not stand to gain by having a University Grants Commission which is expected to apply the thumb-screws of torture. Is this going to be the function of the proposed University Grants Commission? Unfortunately, the powers that have been given to the University Grants Commission and the powers that have been reserved to the executive in this Bill give us the impression that what is envisaged by the framers of this Bill is that Universities are to be a poor image or an enlarged reflection of the bureaucratic mechanism in the Government of India. It may be that I am uncharitable in my estimate of the propensities of those in charge of the Education Department. They may, on the other hand, be well-intentioned men. But if such powers are given, they are liable to be abused. Today they may not be abused, but, tomorrow some other officer or some other Minister in charge of Education may think it his sacred duty to issue a directive to the Universities and tell them that if they do not fulfil it, which he or the executive envisages, then they will be subject to penalties. And, in this connection, clause 14 acquires significance. Clause 14 refers to the penalties to be imposed on the Universities that do not carry out these directives. Grants may be withheld and Universities might be put, as it were, on a black-list. The whole spirit and tenor of this Bill is opposed to the constitution, proper functioning and autonomy of Universities in our country. If I have spoken strongly it is because I feel that a great blow is sought to be inflicted on our Universities, many of which have contributed not a little to the welfare and education of our people. I hope and trust that at least now wisdom will dawn on those who have sponsored this Bill, that our friends in the Joint Select Committee will put forth these points of view strongly and resolutely and carry conviction to those who have framed this Bill. Universities have a greater and a more vital part to play in our country and, to the best of our powers, it should be our aim and objective to encourage plurality of autonomous institutions, to encourage institutions which are corporate in character and to see that these Universities which are primarily responsible for raising the standards of education in our country are strengthened. If the University Grants Commission fulfils these objects, I venture to think that Maulana Azad, who occupies a great place in our political history, will go down as a great Minister of Education capable of rising superior to the environment—the bureaucratic environment in which he and all of us seem to be placed.

Mr. Chairman: Babu Ramnarayan Singh. There are only 15 or 20 minutes and there are two speakers left. So, I would request the hon. Member to be short.

बाबू रामनारायण सिंह (हजारीबाग पश्चिम): क्योंकि १५ मिनट का समय है और दो तीन और मेम्बर बोलने के इच्छुक हैं, इस वास्ते मैं बहुत कम समय लूंगा ।

इस विधेयक का मैं विरोध करता हूं। इस सरकार के जितने कार्य हो रहे हैं, पता नहीं कि किस मतलब से यह कार्य हो रहे हैं, बहुत कानून बन रहे हैं, डिपार्टमेंट बहुत खुल रहे हैं और उसके साथ साथ पदों का भी निर्माण इतना हो रहा है जिसका कोई हिसाब किताब नहीं ।

[SARDAR HUKAM SINGH *in the Chair*]

मैं यह कह रहा था कि सरकार के काम का कोई हिसाब किताब नहीं लग रहा है । यह तो सही बात है कि अंग्रेजी राज्य काल में जब कभी हम लोग अंग्रेजी शासन के सम्बन्ध में बोलते थे तो सबसे कड़ी आलोचना शिक्षा विभाग के

[बाबू रामनारायण सिंह]

बारे में करते थे। आज करीब सात वर्ष हो अधिक हो गए हैं कि अपना राज्य समझा जाता है लेकिन अभी तक सरकार ने शिक्षा विभाग में कुछ भी नहीं किया है। अब जो सरकार करने चली है वह यह है कि जो विश्वविद्यालय अब तक बहुत अंश में स्वतंत्र समझे जाते थे उन पर भी इसका आधिपत्य होना चाहिए, इसका कंट्रोल होना चाहिए। इस में कोई शक नहीं कि किसी देश में शिक्षा का राष्ट्र के जीवन में सबसे अधिक महत्व होता है, कारण यह कि हर देश में किस तरह की शिक्षा होनी चाहिए उसकी एक परम्परा रहती है। लेकिन हमारे देश के लिए दुर्भाग्य की बात है कि हजारों वर्षों की गुलामी के कारण हमारी परंपरा एक तरह से टूट गई है। आज जो कार्य हमारे यहां होना होता है, उसके लिए विदेशों का नमूना लिया जाता है। अंग्रेजों का जो देश इंग्लैण्ड है वह तो हमें ऐसा मालूम होता है जैसे तीर्थस्थान है या वहीं गुरुद्वारा है। जो कुछ वहां होता है वह यहां होना ही चाहिए। अगर वहां भी ऐसा एक कमीशन है तो यहां भी होना चाहिए। लेकिन वहां जो कमीशन का निर्माण हुआ है उसमें सरकार का प्रतिनिधि अवश्य होना चाहिए सो तो नहीं है। यह जो यूनीवर्सिटी ग्रांट्स कमीशन बन रहा है इसके नाम से ही मालूम होता है कि इसका काम यह होगा कि जो सरकार के रुपए होंगे उनका विश्वविद्यालयों में कैसे बंटवारा हो। इस देश में हमारे संविधान के मुताबिक शिक्षा तो राज्यों का विषय है, केंद्र का विषय नहीं है। लेकिन यहां भी तो एक शिक्षा मंत्रालय है। अगर यह शिक्षा मंत्रालय सरकार के रुपए को विश्वविद्यालयों में बांटने का काम भी नहीं कर सकता है तो इस मंत्रालय की क्या जरूरत है। इतना काम शिक्षा मंत्रालय मजे में कर सकता है। एक कमीशन की जरूरत एक दम नहीं है। लेकिन कहा जाता है कि जितने विश्वविद्यालय हैं उनका स्तर ठीक करने के लिए ताकि स्टैंडर्ड में बहुत भेदभाव न हो, यह कमीशन होना चाहिए। तो यह तो बहुत बड़े बड़े विद्वानों का कार्य है। उसमें सरकार की तरफ से जो प्रतिनिधि होंगे वे काहे को। जिस तरह से कि सरकार बनती है वह तो आप जानते हैं। सरकार तो कभी कभी शिवजी की बारात सी बनती है। यह जरूरत नहीं कि उसमें सब पढ़े लिखे पंडित हों। खास करके यह जो पार्टी सिस्टम आफ गवर्नमेंट है इसमें तो सरकार में कोई भी आ सकता है और अगर ऐसे ही आदमी यूनीवर्सिटी ग्रांट्स कमीशन में जाएंगे तो क्या करेंगे यह तो कहना मुश्किल है। इन प्रतिनिधियों के जरिए जो सरकार अपना आधिपत्य कमीशन के ऊपर चाहती है यह बहुत बुरा होगा। यह कभी नहीं होना चाहिए। यह तो मैं जानता हूं कि जो कुछ भी विरोधी दल की तरफ से कहा जाता है उसका असर सरकार पर नहीं होता है। यह विधेयक जरूर प्रवर समिति में जाएगा यह सही है। लेकिन मैं यह स्पष्ट कहूंगा कि सबसे पहला काम यह होना चाहिए कि विश्वविद्यालयों की स्वतंत्रता के सम्बन्ध में तनिक भी बाधा न पड़े। यह तो जरूर करना चाहिए। कहा जाता है कि हर देश में देश की जितनी आमदनी होती है उसका बहुत सा अंश शिक्षा में लगाना चाहिए, लेकिन अब तक जो सरकारी खर्च शिक्षा के सम्बन्ध में हुआ है वह तो इतनी कृपणता के साथ किया जाता है कि जिसका कोई हिसाब किताब नहीं है। इसमें कोई बड़ी बात नहीं होगी कि जितनी आमदनी इस देश में होती है उसका चतुर्थांश शिक्षा में लगाया जाय। सरकार का काम देश की उन्नति करना है, देश को तरक्की पर लाना है, देश की सेवा करना है। अगर इस सरकार के सम्बन्ध में हर विषय में देखा जाए तो यह मालूम होता है कि इनका आधिपत्य होना चाहिए, इनका कंट्रोल होना चाहिए, इनका शासन होना चाहिए। लेकिन मुझे दुःख के साथ कहना पड़ता है कि इस तरह का जो तर्ज सरकार का है वह सर्वथा निन्दनीय है। सरकार का काम देश की उन्नीत करना है, देश की सेवा करना है। न कि सब जगह उसका आधिपत्य हो, उसका कंट्रोल हो, उसका अधिकार हो। यह तो बिल्कुल निन्दा करने की चीज है। उसके

साथ साथ इस बिल की धारा १४ में यह लिखा हैं कि सरकार का जो नोटीफिकेशन होगा, उसके प्रतिकूल अगर विश्वविद्यालय कोई काम कर दें तो उसको तुरन्त सजा होनी चाहिए। जिसके बारे में मोरे साहब ने कहा था कि मालूम होता हैं कि यह संस्था पुलिस की तरह बनने जा रही हैं। तो एक महोदय ने कहा कि "फुलिश" की तरह पर हैं। तो "पुलिस" कहिए या "फुलिश" कहिए, दोनों का मतलब करीब करीब एक ही होता हैं। इस तरह की बातें तो नहीं होनी चाहिए। यह तो जानी हुई बात हैं कि जितने लोग विश्वविद्यालय में हैं वे तो मर्यादा भंग करने वाले लोग नहीं हैं, कानून तोड़ने वाले नहीं हैं। लेकिन जहां पर मतभेद हो तो यह क्या जरूरी हैं कि सरकार का जो कुछ उपदेश हो वह आंख मूंद कर मान लें। तो विश्वविद्यालय क्या रह गया वह तो सरकार का एक अंग हो जाएगा। सभापति महोदय, यह जो पार्टी सिस्टम आफ गवर्नमेंट हैं इससे शिक्षा को जहां तक दूर रखा जाए उतना ही देश का कल्याण होगा।

लखनऊ में विद्यार्थियों को ले कर कोई आन्दोलन हो गया था । तो देश में हल्ला हुआ था कि किसी दलबन्दी का काम हैं जो विद्यार्थियों को उभार दिया हैं। और वे ही लोग ऐसा कहते थे कि विद्यार्थियों के बीच में कोई दलबन्दी की बात नहीं आनी चाहिए। सभापति जी, वाइस चांसलर बनेंगे पार्टी के विचार से, दलबन्दी के विचार से, प्रोफेसर बहाल होंगे दलबन्दी के विचार से, जितने भी कार्य विश्वविद्यालयों में सरकार की ओर से होंगे वे दलबन्दी के विचार से होंगे, तो इसका असर विद्यार्थियों पर क्यों नहीं पड़ेगा। तो यह कहा जाता हैं कि विद्यार्थियों के बीच में दलबन्दी की बात नहीं आनी चाहिए, विश्वविद्यालयों में दलबन्दी की बात नहीं आनी चाहिए लेकिन सरकार की तरफ से कार्य होने से बिल्कुल दलबन्दी की ही बात रहेगी। यह बिल प्रवर समिति में जा रहा हैं। जो सरकार इस कमीशन के जरिए विश्वविद्यालयों की जितनी मदद कर सके वह तो प्रशंसनीय हैं, लेकिन प्रवर समिति में हर तरह से यह यत्न होना चाहिए कि सरकार किसी तरह से विश्वविद्यालयों की स्वतंत्रता में बाधा न पहुंचावे और न किसी तरह से वहां पर अधिकार करे।

मुझ से कहा गया था कि समय कम हैं, और लोग बोलने वाले हैं, इसलिए मैं अधिक समय नलेता हुआ सबसे यह निवेदन करता हूं कि शिक्षा बहुत महत्व का विषय हैं। इसके बिना देश की उन्नति नहीं हो सकती हैं। इसलिए जहां तक हो सके विश्वविद्यालय को स्वतंत्र रख कर इस संस्था को बनाना चाहिए। तभी हमारे देश का भला होगा।

Shri N. B. Chowdhury (Ghatal): While supporting the establishment of the University Grants Commission, we have to point out that there are certain provisions in the Bill which require to be changed radically, and these changes refer to the very definition of "university" as provided in the Bill, the composition of the Commission as well as the functions of the Commission. With regard to the definition, we have to point out that it is very narrow and it does not include within its ambit the affiliated colleges that form the vast majority of the colleges which provide for university education in our country. I shall give some details to show how it will affect such affiliated colleges. Taking certain universities,—in Andhra University, there are four constituent colleges and 31 affiliated colleges; in Bombay University, there are three teaching departments and 22 affiliated colleges; in Calcutta University, there are 38 constituent colleges and teaching departments and 104 affiliated colleges; in Madras University, there are 20 constituent colleges, 21 teaching departments and 58 affiliated colleges; in the Punjab University, there are 14 teaching departments, three constituent colleges and 57 affiliated colleges; in Travancore-Cochin University, there are nine constituent colleges, only one teaching department and 13 affiliated colleges. In whole country, are told that there are 137 constituent colleges and 558

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affiliated colleges. If we exclude these affiliated colleges, then we are in doubt as to how far the Grants Commission will take into account the needs of such colleges. In regard to enrolment we find that out of about 3,96,000 students, about 3,03,000 students read in the affiliated colleges. If we come to the expenditure, that is, the cost of university education, say in the Calcutta University, out of an expenditure of about Rs. 1,81,00,000, in the university departments only Rs. 16,81,348 was spent, and for the affiliated colleges Rs. 1,64,77,314 was spent. So, from this it will be clear that, unless we take within this definition the affiliated colleges the vast majority of the colleges will be left untouched and the Radhakrishnan Commission has made specific recommendations with regard to this point.

Then there is another important point and it is about the provision which they have to make about the living conditions of teachers. We find in *Education in Universities in India,* a statistical survey published by the Ministry of Education, that:

"....from the pay scales of different categories of university teachers during 1950-51, as many as 13 universities had not found it possible to start their Lecturers on Rs. 300, as recommended by the University Education Commission;

The distribution of teachers, according to their monthly salaries, was as follows:

Between Rs. 100 and 150 ..	6,034
Between Rs. 151 and 250 ..	7,369
Between Rs. 251 and 450 ..	5,177
Between Rs. 451 and 650 ..	1,329
Between Rs. 651 and 850 ..	525"

and so on. This shows on an average that (a) nearly 90 per cent. of the teachers received less than Rs. 450 per month and (b) two out of every three teachers were paid salaries between Rs. 100 and Rs. 250. But it is said later on:

> "The university teacher should be helped to live in comfort, if he is to devote himself to learning, teaching and research.....I hope the university services will become as attractive as All-India Services, for that is the only way to recruit and retain some of the ablest persons for the universities".

This is what Dr. Radhakrishnan has said and has been quoted in that book. But in spite of all these recommendations for the development of university education, nothing has been done so far. We are hearing about the new deal for labour, new deal for peasants, new deal for teachers also, and it has been said so in this survey from which I quoted, but nothing so far has been done. So, if we have to develop university education, we have to take special care of this aspect of the problem.

It has already been pointed out by Shrimati Sucheta Kripalani that with regard to Delhi University there are certain anomalies. After the establishment of the University Grants Commission, when some of the employees, clerks, peons, etc., and also librarians and similar employees of that university, represented their case to the University Grants Commission, the Commission wrote that this is an internal matter for the University and they have nothing to do with it. When the employees wrote to the university, they said that after the establishment of the University Grants Commission, they cannot decide this matter. When they wrote to the Ministry, they also evaded their responsibilities and said they had nothing to do. But, while they wanted to bring about a change in the salaries payable to the Vice-Chancellor or the Registrar, they did it quite quickly. We are told that the Vice-Chancellor's salary was raised from Rs. 2,000 to Rs. 2,500, and that of the Registrar, from Rs. 500-750 to Rs. 500-900, giving sometimes three special increments, etc. Such things could be done. While in Delhi, school teachers in recognised schools are getting such allowances as city allowance, house-rent allowance, etc., the Delhi university teachers are not at all getting this. This is the result of the establishment of the University Grants Commission. This is a thing which we must take serious note of.

Now, regarding the composition of the Commission. We want a really autonomous, independent Grants Commission, whose activities would not be interfered with by the Government. But we find from section 20 of the Bill that the Commission is going to be made the handmaid of the Government itself. It has been stated in the Bill thus:

> "In the discharge of its functions under this Act, the Commission shall be guided by such directions on questions of policy as may be given to it by the Central Government.
>
> If any dispute arises between the Central Government and the Commission as to whether a question is or is not a question of policy, the decision of the Central Government shall be final."

So, from this, it is clear, as has been very severely criticised by some other hon. Members, that they are going to utilise the Grants Commission as a sort of big stick on the universities. This should not be so. Our universities, which have played a vital and important role in the development of higher education in this country should not be allowed to be hindered in this manner. The autonomous character of the universities, particularly with reference to their internal administration, the determination of standard, etc., should be preserved and there should be sufficient scope for the universities to decide their policies themselves.

Then, I shall come to another aspect of the problem which has been referred to in the Bill itself. We find that according to the Constitution, power has been vested in Parliament to decide the type of higher education, university education, etc., and according to that provision, this University Grants Commission is going to be established. Although in clause 19 it has been stated that the annual accounts of the Commission along with the audit report thereon would be placed before Parliament, there is no provision in clause 18 that Parliament would also receive the reports about the activities of the Commission, about the standards and other particulars with regard to the universities for which the Commission may make any grants. So, we feel that they should submit not only the report on accounts etc., but the reports with regard to the standards, the determination of standards and such other particulars should be submitted to Parliament. If we do not do that, I doubt whether it would be quite proper for this House to give its consent to such a measure.

Mr. Chairman: I hope the hon. Member will conclude by two of the clock.

Shri N. B. Chowdhury: I conclude, and resume my seat.

Mr. Chairman: I did not mean that the Member should sit down immediately. He can have another two minutes if he wants.

Shri N. B. Chowdhury: Then, I want to point out one other matter, with regard to the determination of standards. Nowadays, we find that there is no consistency or conformity between the standard of the secondary education and the university education, and sometimes this inconsistency leads to difficulties for many students. I have seen in my state of West Bengal that such anomalies persist not only between primary education and secondary education but also between the standards of secondary education and higher education. Although here we are dealing with university education

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only, since we have the power under this Bill to advise the universities with regard to the determination of the standards and have right to call for returns, information, etc., we should make it a point to see that consistency with regard to standards is maintained so far as the different levels of education are concerned.

'**Dr. M. M. Das:** I have listened with great interest and attention to the discussion that followed my motion, and I am highly thankful to the hon. Members who have taken part in this debate for the support they have given to this Bill and to the motion for referring this Bill to the Select Committee. Regarding the provisions of this Bill, some dissentient voices were heard. Some hon. Members did not see eye to eye with the Government and they differed in their opinions from the Government about particular provisions of this Bill. Difference of opinion is the life of democracy and democratic legislatures. In a democratic Parliament

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like this difference of opinion is inevitable. Therefore, I am not at all sorry, on the contrary I am glad and I am highly thankful to the Members for the different view-points they have placed and for the criticisms they have made. The motion before the House seeks to refer this Bill to a Select Committee. Government is fully aware of the fact that there are different views, there are different opinions regarding the provisions of this Bill. Government is fully conscious of the fact that there may be even some real ground for criticisms. The intention of the Government in referring this Bill to a Select Committee is to discuss thoroughly, to examine minutely all these different views expressed by hon. Members and all the provisions that are contained in this Bill and then in the Select Committee to square them out and secure the greatest amount of agreement that is possible.

With the exception of a few extravagant remarks which betray gross lack of correct information on the part of a few hon. Members, the discussions on the whole have been very informative, helpful and constructive. In this connecton I wish to convey my thanks to the hon. lady Member opposite, from Bengal—she is not here in the House at the moment. I am thankful to her, for at least on this occasion she tried to be as much considerate and constructive as was possible for her. I am referring to Shrimati Renu Chakravartty.

Mr. Chairman: Because the Mover was.

Dr. M. M. Das: My hon. friend Shri Gurupadaswamy who initiated this discussion, and many other friends, raised a very important issue, the question of autonomy of our Universities. This has been practically the main theme of the discussion, and many of the hon. Members have spoken upon this particular question. My hon. friend Mr. Gurupadaswamy said that the Bill did not explain the relation between the Central Government and the University, that it did not explain what it means by 'standards' and he was afraid that our Universities will lose their autonomy and there will be dual control. The other Members who spoke upon this question practically took the same line: they were afraid that the Central Government, by enacting this measure, will take away the autonomy of the Universities. That was the main complaint made. This is perhaps the most important question that has been raised during the course of the discussion and I wish to deal with it in some detail.

This House is aware that the Government—not only the Central Government but the State Governments also—have accepted the University Education Commission's recommendations as their guide to formulate the future pattern of our Universities.

So this House is aware that the existing University Grants Commission, which has already been established about a year back by a resolution of the Government and which is now carrying on its work,—the existing University Grants Commission was created and the present Bill has been drafted, in pursuance of the recommendations of the University Education Commission. I am glad that hon. Members have quoted profusely from that great, authoritative and comprehensive document. But I beg to submit to you and to this House that this great comprehensive document has been mis-quoted to the greatest extent possible by hon. Members.

I request my hon. friend Mr. Gurupadaswamy to refer to that great document, the University Education Commission's report, and he will find there the answers to his question. One full Chapter, Chapter IV, containing about thirty-four pages has been devoted to explaining what is meant by 'standards', the different aspects of this question, the standard of teaching and the standard of examination in our Universities.

Regarding the autonomy the constitution of our Universities and control, and the so-called dual control, over our Universities, I beg to refer to Chapter XIII of this report; and for the benefit of the hon. Members who have quoted from this report and for the benefit of the House I wish to place before the House a few relevant lines. In the Introduction to this great report of the University Education Commission of which Dr. Radhakrishnan was the Chairman, it is said:

> "The marked deterioration of standards in teaching and examinations and increasing dissatisfaction with the conduct of university administration and elections to university authorities are matters of great concern. The universities as the makers of the future cannot persist in the old patterns, however, valid they may have been in their own day. With the increasing complexity of society and its shifting pattern, universities have to change their objectives and methods, if they are to function effectively in our national life. A policy of drift in the vague hope that if the universities are granted full autonomy and are permitted to pursue their own ends with intelligence and imagination, higher education will take care of itself, will be dangerous. Automatic and spontaneous adjustment will not take us to the future we want. We must develop a comprehensive positive policy within the limits of which there should be ample scope for pioneering and experimentation."

Then again, on page 404 of the Report the Commission says:

> "In some subjects there is felt to be the need, without impairing local initiative, for a co-ordinating power to be retained by the Centre—
>
> (a) to ensure that all Provinces, States and Unions act within certain limits or observe certain minimum standards,
>
> (b) to ensure that, where different units which to develop different special activities, a coherent over-all national policy emerges, without glaring examples of unnecessary duplication on the one hand or unfilled gaps on the other, and
>
> (c) to enable joint planning by Provinces, States and Unions where this is necessary."

My hon. friend Dr. Krishnaswami —I do not find him in his place— waxed eloquent and asked what does this Bill mean by national purpose. The national purpose has been explained in a masterly way in these three reasons, (a), (b) and (c) which I have just quoted. These are the

[Dr. M. M. Das]

national purposes meant by this Bill.

Then the Report says:

> "With the central guidance of policy that the University Grants Commission can give them, we are confident that they (that is the Universities) *will* prove a unifying force in the nation. But unfortunately there is clear evidence that in some universities local control has already led to actions tending to disunion."

> "There are Universities in India today..."

I want to draw your particular attention to this line—

> "....whose administration is unsatisfactory. Even in purely academic matters such as the appointment of examiners and awarding of degree, their procedures and standards are suspect..."

I want to draw particular attention to the word 'suspect'.

Shri S. S. More: What is the quality of Government administration? It is also suspect.

Dr. M. M. Das: To you; not to the majority of the people.

Babu Ramnarayan Singh: To the whole country.

Dr. M. M. Das: "The existence of such a state of things is immeasurably damaging to our national prestige. It is clear that under existing conditions, it has not been possible to effect much improvement."

I beg to submit to you that the University Education Commission recommended the inclusion of Universities in the Concurrent List of our Constitution: that is both under the Central Government as well as the State Governments, because nearly all the witnesses—they were all eminent men and organisations—expressed their opinion in favour of the inclusion of Universities in the Concurrent List. This is what the Commission says on this subject:

> "Nearly all our witnesses have expressed their opinion as to the proper category for university education, Central, Concurrent or Provincial. A minority, but a minority including some important witnesses, think it should be Central. A very large majority, both of university spokesmen and of public men and women think it should be Concurrent. Practically the only witnesses who thought it should be provincial were the representatives of the Provincial Governments in one or two Provinces. The significant thing was that even among the representatives of Provincial Governments a substantial majority preferred Concurrency."

Again, the Commission says:

> "We may say at once that we agree with the majority in thinking that the All-India aspects of university education, the repercussions and interchanges necessary and desirable between universities and the need for a national guarantee of minimum standards of efficiency make it impossible for university education to remain a purely provincial subject."

Although the University Education Commission wanted the Universities to be a Concurrent subject, the makers of our Constitution preferred to keep them a State subject, subject to item 66 of the Union List, that is, only the responsibility of maintenance of co-ordination and maintenance of standards were given in the hands of the Central Government. So far as the present measure is concerned, Government have not gone, nor are they permitted to go by our Constitution, beyond the limits of item 66 of the Union List. Under this Bill the Government seek to secure only that much of power which will enable them to discharge the responsibilities that have been placed upon them by our Constitution, namely, the responsibility under item 66 of the Union List. Government want to take into their hands powers only to discharge two responsibilities. They want to ensure that the money that would be given to the Universities from the Central Exchequer should be properly spent, and secondly, they want that they should be able to discharge the constitutional responsibility namely, maintenance of co-ordination and standards among our Universities. The University Education Commission, an expert body, which consisted of not only eminent men in the field of education in India like Dr. Radhakrishnan, Dr. A. L. Mudaliar and our eminent Professor, Professor Meghnad Saha and others from India, but also eminent educationists from foreign countries like England and America, proposed to give much more powers into the Centre over our Universities, than are provided in this Bill. I appeal to the hon. Members who have dwelt at length upon this particular point not to worry themselves, not to get agitated, not to get irritated at the idea that the Centre will have some power over our Universities.

Some hon. Members have raised the issue as to why two different functions, namely maintenance of co-ordination and standards and the allotment of funds, should be given to one single body, the University Grants Commission. As I have said in my opening remarks, moving the motion, the original proposal of the Central Government was to establish two different bodies for these two different purposes. One was an All India Council of University Education for the maintenance of standards and co-ordination in our Universities and the other was the University Grants Commission for allocating the grants from the Central exchequer. But, the Conference of State Education Ministers and Vice-Chancellors, held in April 1953 unanimously recommended that instead of two separate bodies, there should be one body into whose hands both these functions should be given. Thus, the persons who are intimately concerned with our University education and administration, namely the Vice-Chancellors and State Education Ministers recommended that instead of two separate bodies there should be one. In pursuance of their recommendation, the University Regulation of Standards Bill was dropped and its provisions were incorporated in the present Bill.

My hon. friend from Bihar, Shri S. N. Das said, if I understood his Hindi correctly—I hope I have understood him correctly—that the University Education Commission does not propose to give into the hands of the University Grants Commission any functions other than the allocating of grants. He was not quite correct. I will draw his attention to page 406 where the University Education Commission **says:**

> "The only solution is to give to the University Grants Commission the task of co-ordination, with the sanction of giving or withholding grants."

I like to lay emphasis on the words "with the sanction of giving or withholding grants".

Shri S. N. Das (Darbhanga Central): What about maintenance of standards? This is about co-ordination, not about maintenance of standards.

Dr. M. M. Das: Much has been made about this: withholding of grants. Here we find that the University Education Commission is in favour of giving this power of withholding grants to the Grants Commission, whenever they think necessary from the Universities. It is necessary to give into the hands of the University Grants Commission the power so that they may be entitled to withhold grants from Universities whenever they find it necessary to do so.

[Dr. M. M. Das]

Then, I go to the composition of the Commission and its functions. It has been said that the composition of this Commission as provided in this Bill is not the same as recommended by the University Education Commission. It is true that changes have been made. In the first place, the total number of members has been raised from 7 to 9. This was thought necessary because additional responsibilities have been proposed to be given in this Bill into the hands of the University Grants Commission, *viz.*, the responsibilities of maintenance and co-ordination of standards.

Secondly, regarding the terms and conditions of service, it was not possible to adhere to the terms and conditions as recommended by the University Education Commission, because the University Education Commission imposes some restriction upon the future employment of the members who serve in this Grants Commission, and it is difficult to get suitable men commanding the confidence and respect of the universities as well as the public who will be prepared to serve under this Commission, as members of this Commission, with restrictions on their future employment. Doubts have been expressed as to the necessity and advisability of having in this Commission administrative and financial experts. Many of the Members today have spoken on that question. The House should realise that the administration of universities has got two different aspects. One is the educational aspect, concerning teaching and education, and another is the administrative aspect concerning finance and administration. The University Grants Commission is supposed to be an expert body regarding both these aspects, both the educational aspect of our universities and the administrative and financial aspect of our universities. So, the inclusion of such experts is essential and necessary in the Grants Commission.

Some of the hon. Members have expressed their opinion, and my hon. friend Dr. Krishnaswami is one of them, that the Vice-Chancellors to be appointed as members of the University Grants Commission should be elected by the Vice-Chancellors of all the universities of India. I beg to submit to this House that I do not think that this is a very commendable proposition. An election amongst our Vice-Chancellors for membership of the University Grants Commission will not be in keeping with the dignity of the Vice-Chancellors. In addition to that, such an election will tend to creat narrowness and create factions. I may submit to this House that the University Education Commission was not in favour of election. They recommended that the non-official members of the University Grants Commission should be appointed by the Central Government. I am quoting what the University Education Commission says about this matter:

> "We recommend that the Commission should consist of five members, three full-time members appointed by the Government of India who can also appoint one of the three as Chairman, together with the Secretary of the Ministry of Finance and the Secretary of the Ministry of Education. However, on account of the size of our country, the varying character of the different institutions and the large numbers of courses in our Universities involved, this number may be increased to seven, with five non-officials and two Secretaries."

The University Education Commission was totally against any important appointment in the field of education by election. They expressed their opinion rather very strongly while discussing the selection of Vice-chancellors of universities. This is what they say. I want hon. Members who are supporters of elections to listen to me very carefully. The University Education Commission says:

> "Open canvassing and voting for candidates may have been tolerable while the post was not much more than a compliment which the university could bestow, though, even so, it was undignified and led to the formation of factions..."

—this was said about the selection of Vice-chancellors of our universities—

> "...but as a measure of securing a man of character and reputation for an arduous and highly skilled service, it is, to put it bluntly, disastrous folly."

Kumari Annie Mascarene (Trivandrum): Is it a democratic principle that it is a disastrous folly?

Shri S. S. More: Now, there will be canvassing at the centre.

Shri Algu Rai Shastri (Azamgarh Distt.—East *cum* Ballia Distt.—West): That is the opinion of the Commission, not his.

Dr. M. M. Das: I do not think these lines require any comment.

Some Members do not like the idea that the Grants Commission should be under the policy control of the Central Government. Some of the Members said that clause 20 which makes this provision is a dangerous clause. They wanted complete independence, absolute freedom for the Grants Commission. At least a few crores of rupees will have to be spent by the University Grants Commission annually for distributing grants to our universities. The Government of India is responsible for this money to this House. If anything goes wrong, then, my hon. friends opposite will be the first persons to fly at the throat of the Government of India. The Government of India will be held fully responsible for every act of commission and omission of the University Grants Commission. Is it fair, is it just, I ask this august House, that the Government of India which will have the fullest responsibility will have not the remotest authority, the remotest control, the remotest right? There can be no responsibility at all without authority, without right, without control.

Shri Algu Rai Shastri: Quite, quite.

Dr. M. M. Das: Many Members do not like clause 14, the penal clause which authorises the Commission to withdraw the grant if they choose to do so. This power of withdrawing the grant whenever the Commission thinks it necessary is very essential. One hon. Member quoted from the University Education Commission's report to prove that this clause will stand in the way of friendship between the universities on the one hand and the Grants Commission on the other hand, and added that by this clause the universities will regard the Grants Commission as a policeman. For her benefit—she is not here unfortunately—and for the benefit of this House, I wish to read in some detail so that it will clarify her point.

Mr. Chairman: If the hon. Member reads in detail, he might not be able to finish by 2·25. Would it be possible for him to do so?

Dr. M. M. Das: Yes, I will finish. There are 10 minutes more.

Mr. Chairman: Only seven.

Dr. M. M. Das: There is no end to this discussion. I can finish at any moment.

Mr. Chairman: He will have another opportunity.

Dr. M. M. Das: Some hon. Members quoted from this report. I want to show that this document has been misquoted to the greatest possible extent by hon. Members of the Opposition.

Shri Algu Rai Shastri: Scriptures are always liable to be misquoted.

Dr. M. M. Das: The Commission says that "they wish to see established with the universities a relation of friendship and not that of a policeman or even an inspector." This line has been quoted, but the next two lines have not been quoted. In the next two lines they say:

> "In the last resort, if a university persists in faction fights at the expense of its proper task, the commission will be bound to divert the public money with which it is entrusted into more profitable channels. That is inherent in the situation and the mere knowledge that it is so should be a steadying influence."

I think my quotations will have a steadying influence upon the hon. Members opposite.

Shri S. S. More: You are hoping too much.

Shri Gidwani (Thana): They are incorrigible.

Dr. M. M. Das: There is another important question I would like to take up, and this is the question of taking away the right of conferring degrees from institutions like the Kashi Vidyapith and Gurukul Kangri etc. This power of taking away the power of conferring degrees from unauthorised institutions is essential for discharging the responsibility of maintenance of standards. No standards can be maintained if every one comes forward for conferring degrees. But we must admit that all private institutions cannot be and should not be measured by one and the same yardstick. There are private institutions in this country that command great respect and confidence of the public. Such institutions also receive annual grants from the Government. Such institutions of real merit have got nothing to be afraid of. They can be declared under clause 3 of this Bill to be universities entitled to confer degrees.

Shri S. N. Das: What about those who do not get any aid from Government, and who do not like to get any degree from Government?

Mr. Chairman: I think we should allow the hon. Parliamentary Secretary to conclude his speech.

Dr. Suresh Chandra (Aurangabad): He should be allowed, for this is a very important point.

Dr. M. M. Das: My hon. friend, Shri N. M. Lingam, was expressing his great dissatisfaction and regret at the present educational conditions in our country. Shri N. M. Lingam said that we have not evolved a national pattern of education, and that we do not have any definite objectives. With all my respect to hon. friend, I must submit that the views he expressed betray gross—I should not say ignorance, but—lack of proper information.

Shri N. M. Lingam (Coimbatore): How?

Dr. M. M. Das: It is not correct to say that we have no definite objectives before us. It is not correct to say that we have not developed any national pattern of education. So far as the results are concerned, I should like to draw the attention of my hon. friend to the different schemes that are being implemented today in conjunction with the Central Government by the State Governments all over the country, for the reconstruction of the educational system of our country. Crores of rupees are being spent today annually by the Central Government as well as the State Governments for this reconstruction or rejuvenation of the educational system of our country.

Shri N. M. Lingam: It is confusion worse confounded.

Dr. Suresh Chandra: What about the results?

Mr. Chairman: Order, order. Let these things be decided subsequently.

Dr. M. M. Das: I have at my disposal the figures of the total number of students in our secondary and primary schools, and I would like to give them to my hon. friend Dr. Suresh Chandra. In 1947-48, the total number of students in our primary and secondary schools was 1·41 crores, while in 1952-53, the number was 2·53 crores, which means an increase of 1·12 crores. We have not received all the figures from all the State Governments, but the figures that have been received show that the present number of students in our secondary and primary schools has exceeded 3 crores. Considering our population, 3 crores out of 36 crores may not be a very impressive figure, but when one considers the rate at which the number of students has been increasing, and the number of new schools that are coming into existence, one is tempted to think that perhaps there is no just or justifiable ground for despair and regret.

I understand fully the difficulty of my hon. friend Shri N. M. Lingam and others. Their difficulty has been this. The achievement in the field of education is not something which automatically draws the notice of the public. When a big dam is constructed across a river, we see before our eyes some gigantic structure, some awe-inspiring structure raising its head in the skies; it is something located, it is something awe-inspiring, that one can go to the spot and see it. But the achievements in the field of education are scattered all over the whole country. It is not a localised thing; one cannot go to a particular place and see all the achievements of Government in the field of education. We have to go to the remotest village to see that a new primary school has sprung up; we have to go the farthest corner of a school building to find out that a few hundred books have been added to the library. Efforts have to be made, and troubles have to be taken to find out what has been done in the field of education. Unfortunately, there is a dearth of people who are prepared to take this trouble, to make this effort.

I have taken much time of the House. I have tried my best to cover as many as possible of the relevant points that have been raised by hon. Members in the course of the discussion. I commend my motion to the House.

Mr. Chairman: The question is:

"That the Bill to make provision for the co-ordination and determination of standards in Universities and for that purpose, to establish a University Grants Commission, be referred to a Joint Committee of the Houses consisting of 45 members, 30 from this House, namely, Shri Narhar Vishnu Gadgil, Shri V. B. Gandhi, Shri Jethalal Harikrishna Joshi, Shri R. V. Dhulekar, Shri Birbal Singh, Pandit Algurai Shastri, Shri Syamnandan Sahaya, Shri T. S. Avinashilingam Chettiar, Shri S. Sinha, Shri T. N. Vishwanatha Reddy, Shri A. M. Thomas, Shri Rachiah, Shri Diwan Chand Sharma, Giani Gurmukh Singh Musafir, Shri Radhelal Vyas, Mulla Abdullabhai, Mulla Taherali, Shri Krishnacharya Joshi, Pandit Lingraj Misra, Dr. Mono Mohon Das, Shri Rameshwar Sahu, Shri Jaipal Singh, Shri Hirendra Nath Mukerjee, Shri K. M. Vallatharas, Shri B. Ramachandra Reddi, H. H. Maharaja Rajendra Narayan Singh Deo, Shri B. H. Khardekar, Shri Meghnad Saha, Shri Sivamurthi Swami, Shri P. N. Rajabhoj and Maulana Abul Kalam Azad,

and 15 members from the Rajya Sabha;

that in order to constitute a sitting of the Joint Committee the quorum shall be one-third of the total number of members of the Joint Committee;

that the Committee shall make a report to this House by the 30th day of April, 1955;

[Mr. Chairman]

> that in other respects the Rules of Procedure of this House relating to Parliamentary Committees will apply with such variations and modifications as the Speaker may make; and
>
> that this House recommends to Rajya Sabha that Rajya Sabha do join the said Joint Committee and communicate to this House the names of members to be appointed by Rajya Sabha to the Joint Committee."

The motion was aodpted

DRUGS (AMENDMENT) BILL

The Minister of Health (Rajkumari Amrit Kaur): I beg to move:

> "That the Bill further to amend the Drugs Act, 1940, as passed by the Rajya Sabha, be taken into consideration."

I have much pleasure in asking this House to take into consideration the Drugs (Amendment) Bill. I think I have been asked on more than one occasion on the floor of this House to do something in this matter. I took it up as early as I could when it came on the Concurrent List and after having received the opinions and suggestions of all the States the necessary amendments have now been incorporated in this Bill; and these amendments incorporate the greatest common measure of agreement between the Centre and the States.

The Drugs Act has been in force since April, 1947, but in the light of experience gained during these seven years, it is proposed to make a few amendments to the Act. I should like to enumerate them briefly.

The definition of 'drug' has been amplified. It came to our notice that a number of drugs which purported to be or which were claimed to be, contraceptives had come into the market and were doing a great deal of damage. It has been sought to cover drugs of this nature as well as insecticides in the definition and also to take power to the Central Government to notify these from time to time in the official gazette, so that standards may be controlled wherever necessary.

Then, a definition of 'manufacture' has been given in this Bill for the first time; it was not defined in the Act previously. I might mention that a substantial portion of manufacturing activities in this country really consist of importing drugs in bulk, and re-bottling them, re-labelling them or re-packing them, and it has been considered necessary that to maintain control over such activities, we must include what is done here also in the term, 'manufacture'.

The constitution of the Drugs Technical Advisory Board needed some alteration. At present the representation of the pharmaceutical profession on the Board consists of only one member but because of the increased activity of this profession, it is now proposed to enhance their representation to three. These representatives will now be elected by the Pharmacy Council of India which was set up under the Pharmacy Act of 1948.

There used to be Indian branches of the British Medical Association who were authorised to elect one member on the Board. It is no longer considered necessary to give this Association any special representation. So that provision has been omitted.

Then we feel very strongly that the Drugs Controller, who is the principal officer attached to the Centre in charge of the administration of the Act, should be made an *ex-officio* member of the Board.

One of the main amendments is the assumption by the Central Government of rule-making powers under chapter IV. I may say that the States are absolutely in agreement with us on this. Many of the important drugs in the country are imported and because they enter into inter-State commerce, it is essential that the rules governing their standards should be uniform throughout India.

Then the question of enhancement of penalties has also been taken up. There has been a consistent demand from State Governments, and indeed on the floor of this House also, for the enhancement of penalties provided under these sections. Therefore, it has been proposed to enhance the penalty under section 27 to imprisonment for three years, and under section 30, to five years, without prescribing any upper limit to the fines that might be imposed. The question of spurious drugs and adulteration of drugs is a menace to the country and all the States are agreed that the punishment should be enhanced. Now, because the punishment has been enhanced, offences under the Act will be triable only by Presidency Magistrates or Magistrates of the first class. That is only right because, if we enhance the punishments, it should be Magistrates of the first class and Presidency Magistrates who should be empowered to inflict the penalties.

The next amendment, which is also important, relates to giving publicity to convictions for offences by companies. That also has been considered very necessary.

In view of the increased responsibilities that will fall on the drugs inspector, it has been proposed to amend the present section so as to give effective powers of search and seizure to the inspector without obtaining special authorisation from the Magistrate. Of course, the necessary safeguards provided by the Criminal Procedure Code will be there to control such searches. It is further proposed to amend the section providing punishment for wilful obstruction.

Then one very important thing is that we have withdrawn the concession in respect of patent and proprietary medicines permitting their sale, which has up to now been possible purely or simply under a registration number granted by the Drugs Laboratory. We feel that we ought to come in line with all the advanced countries and that all drugs must have on their labels information about what they contain. This will enable the purchaser to know what actually he is getting when he pays for it.

I have already mentioned the menace of spurious drugs. I am glad to say that the States have been active in this matter and have been doing quite well by prosecuting quite a number of cases that have come to their notice, but the proposed amendments are still considered necessary as they will go a fairly long way to strengthen the hands of the drugs standard control authorities. I want this Act to come as quickly as possible on the statute-book because while the provisions of the Act have been extended to Part B States, practically none of them has made rules, and therefore, it is very important that the Central Government should make the rules and are able then to have that uniformity of policy which is necessary.

I do not want to take up the time of the House any more. But I just want to say this, that the House is aware that recently a Pharmaceutical Inquiry Committee was appointed to look into the whole question of drugs, what should be imported, how they should be controlled, how manufactured etc., and they have made several very important recommendations. A great many of those recommendations have already been anticipated because the report came in after the Amendment Bill was placed before the Rajya Sabha. I repeat, a great many of the recommendations have been anticipated and incorporated. One or two of the more important ones are under active consideration. I do not want to hold up this measure any longer. I shall have to bring up further amendments after the Government have considered the other recommendations in the light of the opinions received from the States

[Rajkumari Amrit Kaur]

at a later date. That is all I have to say.

I am very glad that I have received practically no amendments. The ones I have received are more or less the same as I got in the Rajya Sabha. I shall reply to them—I am afraid they are not acceptable to me—as they come. I take it that the House is in general agreement with the measure. I myself have two absolutely factual amendments to be put before you, Sir, at the proper time.

Mr. Chairman: Motion moved:

> "That the Bill further to amend the Drugs Act, 1940, as passed by the Rajya Sabha, be taken into consideration".

As the House is aware, we have imposed certain restrictions upon ourselves, as the time allotted for all stages of this Bill is one hour and 30 minutes. So we might divide it for general discussion, then clause by clause discussion and the third reading. There are certain amendments—I do not know if those Members want to press their amendments. Perhaps that also might take some time.

Shri V. B. Gandhi (Bombay City-North): We may be allowed to speak on our amendments while speaking on the Bill itself. That might save some time.

Shri V. P. Nayar (Chirayinkil): There is no restriction even otherwise.

Mr. Chairman: That restriction we cannot impose, but if any particular amendment is taken, hon. Members may make certain points and that will have to be answered. I am in the hands of the House. If one hour is taken up for general discussion, we will have only thirty minutes for the clause by clause discussion and third reading stage. Will that be sufficient?

Hon. Members: Yes.

Mr. Chairman: All right.

Shri Gidwani (Thana): While supporting in general the principle of the Drugs (Amendment) Bill, I would like to make a few observations. The hon. Minister stated that adulteration of drugs and manufacture of spurious drugs had become a menace.

Shri S. V. Ramaswamy (Salem): We may be allowed to move our amendments first.

Mr. Chairman: That cannot be done; that is not the procedure.

Sardar A. S. Saigal (Bilaspur): Let us have general discussion first.

Mr. Chairman: I might also mention that so many Members are anxious to speak. So we may have to impose on ourselves a further restriction. Every hon. Member might finish within five minutes or seven minutes.

Shri Kasliwal (Kotah-Jhalawar): Sir, may I make a suggestion? We took up this measure at 2-40 and the House will rise at 4-30. May I suggest that we deal with this till 4-30. It makes only 15 or 20 minutes extra.

Mr. Chairman: There is a resolution of the House which has just fixed the time limit at an hour and a half. I think it would not be fair now to change it. I hope the hon. Members would kindly see to it that they finish their speeches within seven minutes each. The same time has to be distributed amongst the Members. I have no objection to give even ten minutes. Then only fewer Members will have an opportunity.

Shri Gidwani: Then, I would be very brief. In clause 12, it is stated, with regard the punishment:

> "In section 27, of the principal Act, for the words 'one year, or with fine which may extend to five hundred rupees', the words 'three years, or with fine' shall be substituted."

I am not a lawyer, but, as I understand it, it may mean that the magistrate may, in practice, only fine the offenders. In such serious offences, a mere fine will not achieve the object which the hon. Minister has in view. We are anxious that the manufacture of spurious drugs of the adulteration of drugs should be stopped. Therefore, though at this late stage, if she agrees we might amend the section like that. It should not be merely fine, it should be both. Three years punishment and fine. In the amended sections, wherever there is imprisonment or fine, it should be 'and fine'. This is what I wanted to suggest.

The other thing I wanted to suggest is about the appointment of Inspectors. Now, greater powers are being given to the Inspectors. It is an expeditious way of dealing with the trouble but we should be very careful in the appointment of these inspectors. We have seen how inspectors in various other departments have brought disgrace to the administration itself. In this respect, I would suggest that, as has been suggested elsewhere, we shall have an All India cadre of these inspectors and we should give them sufficient emoluments so that they may not resort to corruption. With these big powers in their hands, they will defeat the very purpose of the Bill if there is not the strictest control over them and honesty and integrity in their working.

The foreign drugs that we are importing are taking away lots of money from our country. We should try to do something in that direction and see that their number is minimised. I will only quote one example. When the new drug streptomycin was brought into India, it was being sold in 1948 at Rs. 30 per gramme. Then, in 1950, it went down to Rs. 15/-. Then it came down to Rs. 12, Rs. 10, Rs. 7/8/-, Rs. 5 and I heard from a doctor friend of mine that it is selling at Rs. 1/8/- per gramme. So, you can understand how these new drugs that are brought into our country take away a lot of our money.

Spurious drugs are being sold in the market. Though their ingredients are shown on the label, people are not able to distinguish and they are being sold by unlicensed dealers. I think something should be done in that direction also. Unlicensed dealers should not deal with these drugs.

I would suggest that the real remedy lies in the nationalisation of this particular industry at least, and immediately. Not only nationalisation of manufacture but, I would also suggest, there should be nationalisation of distribution, because this industry deals with the lives of the people.

Shri A. M. Thomas (Ernakulam): Are all these drugs allopathic?

Shri Gidwani: These drugs are allopathic.

Shri A. M. Thomas: There are also ayurvedic drugs.

Mr. Chairman: The hon. Member may continue without caring for the interruptions.

Shri Gidwani: So, I wish that we give serious attention to this matter. Even though there is punishment, there are ways to get over the regulations and profit motive being there in the manufacture of these drugs, these unsocial and unscrupulous elements resort to various methods and make money. Therefore, this is a matter which does not require crores of rupees. This is an industry which should be regulated and this is an industry which does not necessarily involve the encroachment upon the rights of the private sector because this is a new industry and we must launch upon it. With these words, I generally support the Bill.

Shri V. B. Gandhi: This is a very important Bill and I had expected that each one of us would get 20 minutes. However, I shall try to be brief in obedience to your ruling. This is a welcome measure and this

[Shri V. B. Gandhi]

House having once accepted the principle of drug control, that is quality control, must expect this amending Bill as the next logical step. However, this amending Bill, as it is placed before the House, needs, of course, in our view certain modifications; and the nature and extent of these modifications will be indicated by the five amendments which I have proposed and which I shall be presently moving. So, on the whole, the Bill deserves the general support of the House.

The Bill improves the original Act in three respects. It widens the scope of the definition of drugs, it also does away with the preservation of secrecy of the formulae of patent and proprietary drugs and it also provides for the assumption by the Central Government of rule-making powers. Drugs control in this country has come to stay, although it has been long in coming. It has worked well so far. The Health Ministry has laboriously built up a Central machinery under the Drugs Controller, India and that machinery also has worked well. Those of us who know something about the drugs trade and also particularly about the import of drugs know well how very essential a function this central organisation under the Health Ministry has fulfilled.

I should like, briefly, to refer to what the drugs control has done. For instance, it has succeeded in putting a stop to piracy in drugs. It also has succeeded in making suppliers in foreign countries realise that India is no longer a free field for sending their sub-standard preparations. The more important thing is, the suppliers abroad are beginning to realise that India no longer offers its people as guinea-pigs for experimenting in new drugs that they have to try on people. I do not want to suggest that these evils have been existing in a very large degree or on a very large scale. Yet they have been there. The drugs control has put a stop to that. Now, we are also gratified at the prospect that reputable manufacturers of drugs in foreign countries have welcomed this drugs control in India and it is a welcome sign.

This is not the only aspect of drugs control in our country. There is, must be admitted, a general feeling of greater confidence among our people in the standard of both imported drugs as well as drugs manufactured in this country. I am glad to say that the Central organisation under the Drugs Controller. India has a creditable record, but I am not here referring only to the efficiency with which it has worked, but I want to make a pointed reference to the spirit and to the approach with which it has worked. The original Drugs Act of 1940, which really came into force in 1947, is, in the first place, primarily a piece of social legislation, and as such it had to be worked in a spirit of helpfulness, and it had to be worked in a manner such as to evoke the co-operation of the drugs trade—by 'trade' I mean manufacturers, importers, distributors, dealers and all. It has done that, but we cannot be satisfied just with that. We have to ask ourselves further the question whether the Drugs Act, of 1940, as amended by the Bill before the House, will continue to be a piece of social legislation or whether it is going to be just a piece of penal code. The answer to that question will depend on how or on what we do to the proposed amendment to the Bill, to section 27 of the original Act. Here we are dealing with clause 12. Section 27 of the original Act provides penalty for manufacture sale etc., of drugs in contravention of this chapter, that is, chapter IV. The penalty provided in that section in the original Act is imprisonment extending to one year or fine extending to Rs. 500. The amendment suggested in the amending Bill is that the penalty should be enhanced to one of imprisonment extending to three years or fine. We do not really object to the enhancement

3 P.M.

of the term of imprisonment to anything less than three years. We have no objection to removing the limit on the fine, but we would suggest, for reasons which I shall presently explain, that the penalty should not be in such a sweeping manner for all kinds of contravention of the provisions of chapter IV.

I shall finish soon. For instance, in chapter IV there are offences like the offence of misbranding, offence of preparing, selling, etc., of spurious drugs and there are also technical offences such as contravention of schedule H. We know that those people who do this work—I do not know how to describe it but you will see that it is anti-social work of supplying chalk powder, putting it in capsules and selling it as chloromycetin in capsules or offering it as sulphadiazine—are really a menace to society. They are enemies of society and they may be dealt with as severly as we can and in their case we do not mind the penalty being extended to imprisonment of three years. But take for instance a technical offence under schedule H. Schedule H says that licensed dealers will not sell, except on a prescription by a registered medical practitioner, certain drugs like preparations of Barbituric Acid, Sulphonamide and others. We all know that these drugs should be carefully handled and should not be freely and in an irresponsible way placed in the hands of the lay public. Even then, it can be done inadvertently by an assistant of a licensed dealer. We can very easily understand that after all there is a difference between this offence and the two offences mentioned above. My plea, therefore, is that this Act should differentiate between these offences. Before I sit down I would take the liberty of reading two resolutions moved by two very responsible Trade Associations in Bombay.

Mr. Chairman: He may just refer to them instead of reading them out.

Shri V. B. Gandhi: Bombay is a port through which a major portion of the import of drugs enters the trade in this country. Here is a resolution passed by the Conference of Manufacturers, Importers, Distributors and Dealers in Medicines in the State of Bombay on the 3rd October 1954. Their plea is that technical offences like those under schedule H should not be lumped together with the more serious offences such as those of selling or preparing spurious drugs or misbranding drugs. The other resolution is from the Retail and Dispensing Chemists' Association of Bombay. They express similar views and in the end they just say that "this meeting has no objection to making of offences concerning the manufacture and marketing and sale of spurious drugs cognizable but the technical offences under the Drugs Act should not be made cognizable" and they further fear that the placing of such a power in the hands of Drugs Inspectors, who are all very qualified men—but from what I know, they are all very young, and in the nature of things they are bound to be young as the service is new..........

Mr. Chairman: That is all; the hon. Member's speech is concluded.

श्रीमती कमलेंदुमति शाह (जिला गढ़वाल-पश्चिम व जिला टिहरी गढ़वाल व जिला बिजनौर--उत्तर): मुझे जो अपने अनुभव से देखने को मिला है उसीके बारे में मैं आपके सामने कुछ बातें रखना चाहती हूं।

नशीली वस्तुओं का जो हमने निरोध किया है उससे मुझे खेद है कि न तो सरकार को कोई फायदा हो रहा है और दूसरी तरफ इससे जनता के बीच में बड़ा भारी भ्रष्टाचार और पीने की आदत फैल गई है। इसका मुझे बहुत ही अफसोस है। नशाबन्दी न बन्द हो सकी पर सरकार के खजाने में जो डेढ़ करोड़ रुपया आता था वह बन्द हो गया। पीना किसी का बन्द नहीं हुआ बल्कि और भी ज्यादा बढ़ गया है। कैसे कैसे किस्म की शराबें इस्तेमाल होती हैं मैं समझती हूं कि

[श्रीमती कमलेन्दु मति शाह]

इसका सरकार को पता होगा। यह बुरी तरह से बनती है और इसका परिणाम उनके स्वास्थ्य पर बहुत ही बुरा होता है। इसलिए मेरी सरकार से प्रार्थना है कि इस काम, शराब बनाने को सरकार अपने हाथ में ले ले और कोई दूसरा इसको न बनाने पावे। पीना तो किसी का रोका जा नहीं सक रहा है, इसलिए अगर बनाना है तो सरकार स्वयं बनावे। वह अच्छी तरह से बनावेगी। और मैं चाहती हूं कि उसको ठीक मात्रा में वितरित किया जाए। मेरी सरकार से प्रार्थना है कि अगर वह ऐसा करेगी तो जो आजकल लोगों को हानि हो रही है वह नहीं होगी। मैं अपने क्षेत्र में देखती हूं कि लोग दो दो तीन तीन आउंस की बोतलों में जिंजर टिंचर और न जाने क्या क्या ले आते हैं और मामूली दवा कह कर बहुत ज्यादा पी रहे हैं। इस पर न कुछ रोक है और न बंदिश है और यह गढ़वाल में इतनी बढ़ गई है कि मैं क्या कहूं। इसको जिस प्रकार रोका जा सके रोकने की सरकार को कोशिश करनी चाहिए।

दूसरी मेरी सरकार से यह प्रार्थना है कि और देशों से शराब का आयात बिल्कुल बन्द कर दिया जाए। जो कुछ बने हमारे देश ही में बने और उसी का इस्तेमाल हो, क्योंकि पीना तो किसी का बन्द हो ही नहीं रहा है। इसको यहां बहुत अच्छी तरह से बनाया जाय ताकि वह स्वास्थ्य पर बुरा असर न करे। इसकी बाहर से मंगाने की जरूरत ही नहीं है क्योंकि यह कोई जरूरी वस्तु नहीं है बल्कि एक विलास की वस्तु है। इसलिए इसको हमारे देश ही में बनाना चाहिए यह मेरी सरकार से प्रार्थना है। टिंचरों को बेचने वालों पर भी बहुत कई नियम लग जाने चाहिए।

मुझे इतना ही कहना है। आशा है सरकार मेरी प्रार्थनाओं पर ध्यान देगी।

Shrimati Ila Palchaudhury (Nabadwip): I welcome this Bill because, before 1940, really nobody bothered about the control of drugs. The Drugs Enquiry Committee came into being in 1930 and the Drugs Act was enforced only from 1947 but many of the recommendations of that Committee were never implemented. So, I welcome this Bill very warmly, for it is urgently needed today.

The great opportunity that the spurious drugs manufacturers get is due to certain facts. Firstly, all States have not got a Drug Controller. Secondly, effective enforcement of drug controls is not possible because there is not enough personnel to do it. Even in imported drugs, when they are in short supply, as may happen during any International crisis, there is re-sale by re-bottling and re-packing, with faked products. Everybody knows of that wonderful person, the *shisi bottlewallah*, who goes from house to house, in towns and in rural areas, taking used bottles for a price. He usually pays rather more for the ones whose lables have not been torn and have not gone bad. He even warns the housewives to open the packages carefully so that he can buy them at a better price! He sells those bottles so that they can be used again to the firms who deal with spurious medicines. Of course, these poor and ignorant men cannot be blamed but the far more well-to-do firms who buy those bottles at a good price, and sell bad staff, should certainly be ostracised. No punishment is too much for firms like that. I would request the Health Ministry to see that educative measures like posters and pamphlets are given out to educate the housewives who would, in time, realise that the "carefully opened" packages and bottles which are subsequently sold to these *bottlewallahs* may jeopardise the nation's health.

According to this Bill now, it is a very happy state of affairs that the Drug Controllers will have powers to search, seize and arrest, as soon as they find any proof of spurious drugs. This will stop delays and also prevent the stocks from vanishing thereby making it difficult for proof to be had.

It should also be a necessary condition for all establishments that sell drugs to employ people who are really qualified pharmacists and have some

training in this line. Institutions that give training in pharmaceutical work should be more numerous. The people who work in these establismments, that sell medical stores must know something about the preparations they are selling and be able to tell the customer what he is buying. There is the story of the bald-headed gentleman who went to buy some application for growing hair and he was given a medicine. The gentleman put it on his head and then he put on his *sola topee* and went on his way; Imagine his perturbation when he could not take off his hat, because it had stuck to his head! The man who sold the drug did not know that he had sold a strong adhesive! This however, is a story!

Mr. Chairman: A suggestion by the doctor was that he should put more hair on his head instead of that adhesive!

Shrimati Ila Palchaudhury: There is of course a difference between the person who really manufactures these spurious or sub-standard drugs intentionally, and the *bona fide* small dealer, who buys it without knowing. It is the manufacturers and bottlers—the bigger people—who are the ones to be watched and tackled, and not the smaller people. I know of cases where, when quinine was in short supply, quinine injection phials were sold but they contained nothing but water. People suffering from malignant malaria, to whom these injections were administered, quite often did not recover. Doctors were absolutely at a loss what to do! Really there is no punishment that is too much for such people. Longer terms of imprisonment and heavier fines could be imposed on such people and I would be very happy if that was done, because they are really responsible for numerous deaths.

The public mind should be trained to realise that money spent on medicines is money well spent, and cheapness should not be the only consideration. The Health Ministry should by visual methods and other suggestions, bring home to the people the effectiveness of useful drugs. On the other hand our Indian drugs that satisfy standards required should be used with every confidence and a false glamour about foreign products should not be entertained. Some of our own manufactures by responsible companies are no inferior to any foreign make anywhere, I am sure.

In a scientific age, we need the help of medicines, but we must have correct information. It is very relevant when we have to control drugs, that there should be some control of advertisements. Advertisements—of both Indian and foreign preparations claim that they can do anything under the sun for you. They can make you thin or make you fat—make you thin or make you fat—anything. I think advertisements like that are really very harmful, particularly to the middle-class housewife in the rural districts. She has so little in her life, overworked, poverty-ridden She sometimes feels that she has got the moon in her hands for just rupees two or rupees four when she reads or hears of some of these advertisement. Advertisements can be counteracted by counter-propaganda which should give needful information and guidance. This applies particularly to the medicines that are used for family planning. I know the Government is making a great deal of effort in this direction and I congratulate the Health Ministry for that, but what they do, does not in many cases reach the strata which needs this help most. In this sphere, false advertisements cause untold harm which should be prevented.

I have one other submission to make. This Bill is really a social Bill and unless the civic mind is trained, this Bill really cannot be of much use. Controllers, Inspectors, and officers can hardly do much good, as will be illustrated by this story. My Hindi is not very good, but I hope the hon. Members will forgive that. This is the story:

एक राजा था, वह बीमार हुआ। वैद्य ने कहा कि शुद्ध दूध के साथ दवा खाओ। उससे कुछ फायदा

[Shrimati Ila Palchaudhury]

नहीं हुआ। उन्होंने वैद्य से कहा कि कुछ फायदा नही हुआ। वैद्य ने कहा कि दूध शुद्ध नहीं होगा। राजा ने कहा कि अपने सामने दूध मंगाता हूं। जब देखा तो दूध से एक चिगड़ी मछली निकली। राजा ने कहा तब और क्या करूं, वैद्यराज? एक अफसर दूध देखने के लिए रक्खे देता हूं। तब वैद्य ने कहा कि तब तो दूध में रूही भी कूदेगी महाराज।

We can have controls, officers, and everything you like to control the spread of spurious drugs, but the main thing is to train the mind of the people, so that they will realise that drugs play a very important part in the life of a nation. Control of Drugs is more important than control of opium or cocaine. Opium or cocaine are taken only by a few addicts; but drugs are needed by the whole nation.

Dr. Rama Rao (Kakinada): I rise to support this Bill. I would request the hon. Minister of Health to see that the States are very closely associated with the administration of this Act. As it is, we do not know whether these inspectors are going to be appointed from the Centre or through the States. I personally like that the States should be directly associated with the administration of this measure.

Regarding chemical contraceptives, the Bill prohibits some harmful things. But I would like the Central Ministry to lay down standards of a chemical contraceptive, prescribing a particular thing. About twenty years ago the Mysore State was doing such a thing. I do not know whether they are doing it now, but at that time they had a specialist for these things and they were giving for those who wanted, for every woman, that consulted the government doctor, both the prescription as well as the prepared jelly along with a Dutch cap. So instead of asking people not to buy this or that or punish this man or that man, the Central Government must lay down certain standards for a chemical contraceptive. Unfortunately, I fear the hon. Minister does not believe in chemical contraceptives. Anyway I think the Central Ministry must do it.

Regarding spurious drugs and adulteration everybody knows that a lot of things are going on. I think I mentioned on a previous occasion how they found in Calcutta a small factory making spurious drugs. All the raw material they required was chalk powder, one cask of chalk powder with a few colouring material. And they would prepare terramycin, aureomycin and every blessed new drug and sell it to the patient. It is not merely loss of money but this means loss of life. On this point even the Pharmaceutical Committee Report specifically says: "The introduction of the Drugs Act and the rules thereunder has not brought about the desired results in improving the quality of products manufactured and offered for sale in the country. The menace of manufacture and sale of spurious and sub-standard drugs still continues." Of course in this Bill we have increased the punishment. Very good. I do not agree with my hon. friend Mr. Gandhi that the punishment is too much. Because, it is only optional; only the maximum is fixed. We leave it to the good sense of the Magistrate to assess the seriousness of the offence and give the appropriate punishment.

While trying to prevent all these things in a society where private profit is the chief motive in spite of all talk of socialist pattern of society or socialistic pattern of society, I join my hon. friend Dr. Gidwani in requesting the Government to concentrate on the manufacture of drugs. It is a big industry. Even a conservative and moderate committee like the Bhore Committee, as long ago as 1946 described the manufacture of drugs as "an industry of the greatest national importance to the country" and gave a number of arguments and facts. They said: "Careful investigation povided efficient substitutes for some imported drugs and medical requisites." Then they say: "We do, however, wish to point out that the story of what has been accomplished in this war, though it is no more than a beginning, is a convincing proof that, given the will, organised effort can, with the help of the scientific assistance which it is possible to command, make this country almost, if not entirely self-sufficient in the matter of drugs and medical requisites." This was written in 1946 by a conservative committee when they were not talking of a socialistic pattern of society. So it is not enough for the Health Ministry to get Acts passed preventing advertisements and so on. Of course they are necessary, but the Ministry must do positive things, manufacture and supply as many drugs as possible. And it is not a very satisfactory thing to always talk of one penicillin (which is still coming) and one DDT—I do not know whether it is already in the market. There are many things, small and big, which can be manufactured. Scientific assistance is available, not only in India but in the world. There are things which we have to learn from outside, and scientific talent is available if only we utilise it. It is essential to supply efficient and cheap drugs to the people so that they can be saved from all these deceptions. Of course if the Ministry passes one Act, the clever merchants manufacture spurious drugs in so many other ways.

In this connection we have also to guard against foreign imports. It is true that many of the noted firms maintain a very high standard, but the prices are prohibitive. I can quote from the Report of the Bhore Committee wherein they have said that the money we spend on foreign drugs is a thing which we, a poor country like India, cannot afford, and such a great industry should be developed to protect our people and to supply cheap drugs to our people.

This Bill by itself is non-controversial. In this connection we must remember the positive fact that drugs are not supplied by Government and practically nothing is being done to prepare and supply cheap and efficient drugs to the people. To that extent the Ministry is failing in its duty. However, I support the Bill.

Shri Dhulekar (Jhansi Distt.—South): I whole-heartedly support the Bill before the House. Our national health is very important and, therefore, it is absolutely necessary that all drugs that are supplied to our nation must be pure.

But I have a complaint to make to the hon. the Health Minister that she introduced this Bill in the Rajya Sabha. Otherwise, if it had been introduced here, I should certainly have pleaded with her that she should not make an exception in the case of ayurvedic medicines. I can certainly appreciate that in the year 1940 when the British people were here, the nation was afraid that the British people would put down ayurvedic medicines, and so it was thought that it would not be proper that in the Drugs Act at that time any control should have been placed on the manufacture, sale or distribution of ayurvedic medicines. But now since independence has come and since we also know that the hon. the Health Minister has been taking very great pains for the spread of ayurvedic education as well as the spread of ayurvedic research and also supporting in every way the advancement of ayurvedic science, I should have certainly thought it proper that she should have taken into consideration that these drugs which are ayurvedic or unani, drugs which are supplied to about eighty per cent of the population, should also be pure.

When the Bill has been introduced in and passed by the Rajya Sabha it has become very difficult for me to put in an amendment here, because it would have required a joint session or something like that. Therefore now I shall appeal to the hon. Health Minister to appoint a Committee of Parliamentary Members, so that they may go into the whole question, and the control of manufacture and distribution of ayurvedic and unani drugs may be taken into consideration. I wish to submit that now when several colleges have been established by the Governments and research has been taken up by the Universities and thousands of ayurvedic dispensaries have been established by State Governments and hundreds of dispensaries are being run by municipal and district boards, it has now become very necessary that the control of manufacture of these drugs and their distribution should be taken in hand, by the Government. If the hon. Minister agrees to it by appointing a Committee and bringing in another Bill to amend this Act or to introduce another Act for the Ayurvedic section, she will certainly be helping the cause of Ayurveda teaching as well as research. With these words, I support the Bill.

Rajkumari Amrit Kaur: I would like to thank all the Members of this House who have spoken and supported the Bill in principle, although some of them have had remarks to make about its shortcomings. Very briefly, I shall try to reply to the points that have been raised.

Shri Velayudhan (Quilon *cum* Mavelikkara-Reserved Sch. Castes): We also support although we did not speak.

Rajkumari Amrit Kaur: Thank you.

I shall reply first to the last speaker. He has asked me why I have omited to bring in Ayurvedic and Unani drugs into this Bill. It was practically impossible. It was not that I was not willing to do it. It simply cannot be done because we have not really got a good pharmacopoeia for our indigenous drugs. All those indigenous drugs that have been included in the new pharmacopoeia that will shortly be published will come under this. For the rest, I know that adulteration does go on in indigenous drugs. We will try to do what we can. At the moment, unless and until I get, an absolute list of drugs, it is extremely difficult to do anything. It is not that I do not want to do it. I entirely believe that any medicine of any sort given to anybody should be pure

The first speaker Shri Gidwani raised some important points to which I should like to refer. He wanted imprisonment and fine, both to be included. The difficulty is very obvious. It would naturally arise in regard to technical offences of a minor nature. I feel very strongly that we have got to trust our Presidency Magistrates and our First Class Magistrates to be able to use their discretion. Therefore I am not willing to have both imprisonment and fine provided. It must remain as imprisonment or fine.

Another hon. Member referred to the punishment provided in section 27. I think there was a mistake. He thought that it was the minimum. My hon. friend Dr. Rama Rao has already corrected the error and stated that it is the maximum. Hence there is no hardship. The Court is perfectly entitled to inflict a lesser punishment. I am not willing to allow the people who go in for these social mal-practices to be let off with an ordinary fine which, because they make thousands of rupees, they really just do not mind paying. I say that people who commit these crimes against humanity should be imprisoned.

Another suggestion that was thrown out was that the Inspectors should have special qualifications. I would like to inform the hon. Member that according to the Act they have got to have special qualifications. Under the Drugs Rules, they have to be well paid. For example, in Delhi the scale of pay is now Rs. 275—800. I entirely agree that if the Drugs Inspectors have got a fair amount of power entrusted to them, they should be well paid so that they may not succumb to bribery and corruption. On the other question raised by Dr. Rama Rao, I would like to assure him that the States are naturally to be closely associated with the administration. In fact, the administration of the Act is going to be definitely under the States. It is up to them to see that the Drugs Inspectors are fully qualified.

Another point raised was that of nationalisation. No one is more keen than I to develop the pharmaceutical industry in this country. Unless and until we do that, we are not going to bring down the prices of drugs and be able to supply them to the public at a reasonable cost. I have had the greatest co-operation in this regard from my **colleague**, the hon. Minister for Commerce and Industry. We are going into **this question very shortly** as to how much we can do in the very near future. We have started the Penicillin factory and it is going into production very shortly. The same is the case with the D.D.T. factory; in fact, there are going to be two D.D.T. factories. Manufacture of antibiotics will have to be taken up and I believe that in these factories we shall be able to produce antibiotics as well. The Pharmaceutical Enquiry Committee has also made a recommendation regarding the necessity of making the country self-sufficient under the active consideration of myin the mater of drugs. This point is self and the Ministry of Commerce and Industry.

About educating the public, I entirely agree with the hon. Member. One of the things that will be undertaken by the Publicity Bureau that is now going to be under the Ministry of Health, will be to educate the general public in all kinds of matters and the fact that no medicines will be allowed to be sold, which have not got their particular prescription on them is a step in the right direction. As far as advertisements are concerned, I would request the House to remember that these are also controlled by the provisions of the Drugs and Magic Remedies Control Act, which this House passed quite recently. The rules have been published and the Act will come into force on the 1st April of this year. I would also like to refer to the Pharmacy Act which controls the pharmacists. This will provide the necessary personnel for staffing our Drugs stores.

Standards for contraceptives were alluded to. I am in entire agreement that this should be done. The proposed amendment does provide that standards for contraceptives will be prescribed and this will include contraceptives of all kinds, both chemical as well as mechanical. If the hon. Member referred to clause 17(b) of the proposed Bill, on page 6, he will be reassured that it is so.

There have been some amendments proposed. I am sorry I am unable to accept any of them for various reasons. I would request my hon. friends Shri V. B. Gandhi and Shri S. V. Ramaswamy to be kind enough to withdraw them. In regard to the amendment in list 1 regarding clause 6, the existing provision in the Act contains the words 'if required by him'. The word 'necessary' was purposely substituted in the draft Bill in order to leave the responsibility and discretion for forwarding the package to the Central Drugs laboratory with the detecting officer. The section includes "if required by the Drugs Controller.." Whenever in doubt, the officer concerned will, no doubt, take instructions from the Drugs Controller and the amendment, in my opinion, is not necessary. His other amendments are....

Mr. Chairman: It would be better if the hon. Minister reserved this reply to the amendments if and when they are moved.

Rajkumari Amrit Kaur: Are they going to be moved? I was only thinking that if I replied to them and they were satisfied with my reply they would not move. I am in your hands.

Mr. Chairman: That would be better. If a particular amendment is moved, the hon. Minister may reply. Perhaps, they may not be moved at all. There is no use taking time of the House now.

Rajkumari Amrit Kaur: I have nothing more to say. Apart from my own amendments which are absolutely necessary, I am not accepting any amendment and I commend the Bill for the acceptance of the House.

Shri Bogawat (Ahmednagar South): I would like to ask one question. Is it not possible to include the preparation and sale of liquor in this Bill just now or later on?

Rajkumari Amrit Kaur: I am afraid I can not do that in this Bill because liquor does not come under drugs.

Shri Bogawat: Later on?

Mr. Chairman: That would be seen then.

The question is

> "That the Bill further to amend the Drugs Act, 1940, as passed by the Rajya Sabha, be taken into consideration."

The motion was adopted.

Clauses 2 *to* 6 *were added to the Bill.*

Clause 7.— *Amendment of Section* 12, *etc*).

Shri S. V. Ramaswamy: I beg to move:

In page 3, *after* line 29, *insert*:

> "(c) after sub-section (2) the following new sub-section shall be added, namely:-
>
> '(3) All rules made under this section shall be laid before both Houses of Parliament for a total period of 30 days, which may be comprised in one or more sessions, before their final publication and shall come into force thereafter subject to any modification or annulment that Parliament may make during the said period'."

In moving this amendment, I wish to draw the attention of the House to the Report of the Committee on Subordinate Legislation, and to rules 350, 351 and 352 of this House. The Committee on Subordinate Legislation in its First Report in paragraph 11 laid down certain rules as to what should be done in legislation, *viz.*:

> "(i) That in future the Acts containing provision for making rules etc. shall lay down that such rules shall be laid on the Table as soon as possible.
>
> (ii) That all these rules shall be laid on the Table for a uniform and total period of 30 days before the date of their publication.
>
> (iii) That in future the Acts authorising delegation of rule-making power shall contain express provision that the rules made thereunder shall be subject to such modifications as the House may like to make."

Subsequently also, in the Second Report, specifically referring to this Act and the next Act, they pointed out in paragraph 29:

> "The Committee notice that the relevant provisions in these Bills delegating legislative powers to the executive have not been framed on the lines recommended by the Committee in their First Report. The Committee recommend that before these Bills are enacted, necessary amendments should be made in the relevant clauses and in the amending Bills which do not touch the rule-making sections of the principal Acts, new clauses making the necessary provisions should be inserted."

Clauses 7 and 15 of the Bill amend sections 12 and 33 of the parent Act which deal with rule-making powers.

I am just seeking to give effect to the recommendation of the Committee on Subordinate Legislation.

Mr. Chairman: Amendment moved: In page 3, *after* line 29, ***insert***:

> "(c) after sub-section (2) the following new sub-section shall be added, namely:
>
> '(3) All rules made under this section shall be laid before both Houses of Parliament for a total period of 30 days, which may be comprised in one or more sessions, before their final publication and shall come into force thereafter subject to any modification or annulment that Parliament may make during the said period'."

Rajkumari Amrit Kaur: As the Chairman of this Committee's report that the hon. Member is referring to is here, I will ask him to reply, but I am not accepting the amendment.

The Minister in the Ministry of Law (Shri Pataskar): For the information of the House, I may say that the reports which were submitted by the Committee on Subordinate Legislation are still under the consideration of the Government because they involve certain fundamental issues. As probably Members are aware, in England there is a Statutory Instruments Act which they passed only in the year 1946 or 1948 and under that there are different kinds of rule-making powers which are provided for in different Acts, and there cannot be one uniform thing for all Acts. At times, there is a provision—there are some Acts which make this provision that the rules shall come into force only after they are laid on the Table. There have been certain other cases where rules can be made even before they are laid on the Table in certain emergent cases. So, it all depends on individual Acts as to what procedure has to be followed with respect to the power which has been delegated by this House to Government. I might only say at this stage that there was a question asked the other day as to what action was taken with respect to the Second Report of this Committee on Subordinate Legislation. The information is being collected from the different Ministries, and we are taking all possible steps to see what method should be found for trying to carry out the spirit of the recommendations which have been made by this Committee.

So far as the present Act is concerned, I do not think that a provision like this is necessary *viz.* that the rules shall come into force only after they are laid on the Table, nor is it necessary for the purpose of this Act that there should be general power given to the House to annul those rules. I think for the present the hon. Minister in charge is prepared to give an assurance that all the rules made under this Act shall be laid on the Table of the House as usual, and I think for the present that may be found satisfactory at least so far as this Act is concerned by the House.

Mr. Chairman: May I know then from the hon. Member whether he wishes to press his amendment?

Shri S. V. Ramaswamy: With that assurance, I beg leave to withdraw the amendment.

The amendment was, by leave, withdrawn.

Mr. Chairman: Then, there is no further amendment.

The question is:

"That clause 7 stand part of the Bill".

The motion was adopted.

Clause 7 was added to the Bill.

Clauses 8 to 10 were added to the Bill

Clause 11.— *Substitution of new Section 22, etc. (in Act XXIII of 1940).*

Shri V. B. Gandhi: I beg to move:

> In page 4, line 32, *for* "twenty days" *substitute* "ten days"

My reason for this amendment is that when the Drugs Inspector decides to order a person in possession of certain drugs not to dispose of them, he certainly has certain information on which he is acting. After this order is passed, he still has another ten days under the original Act, and in these days of telephones and telegrams and air mail services and all that, ten days should be enough to ascertain whether or not the drugs in question contravene section 18. Therefore, this needless hardship to the dealers and distributors may be avoided.

Mr. Chairman: Amendment moved:

> In page 4, line 32, *for* "twenty days" *substitute* "ten days".

Rajkumari Amrit Kaur: I would like to reply to this that the hon. Member does not take into consideration that sometimes the laboratory where the drug has to be sent for examination is at a very distant place. It was for this reason that actually in the Rajya Sabha I was asked to increase the period from ten days to 30 days, and I compromised at 20 days I think that 10 days is really not enough because of the distance that may have to be taken in to account in the rural areas, and therefore I am not willing to accept the amendment.

Mr. Chairman: Does the hon. Member want me to put the amendment to the House.

Shri V. B. Gandhi: No, Sir. In view of the statement and explanation, I withdraw the amendment.

The amendment was, by leave, withdrawn.

Shri V. B. Gandhi: I beg to move:

> In page 4, *after* line 34, *add*
>
> "Provided that the Inspector shall not take action under this sub-section unless he has reported the facts to the District Magistrate or the Chief Presidency Magistrate and has been authorised by such Magistrate to take such action."

Here is a very necessary safeguard against any hasty use of the power by the Drugs Inspectors and the omission of this safeguard from the amending Bill can only be explained perhaps by the fact that it may lead to certain delay. I am quite willing to concede that in actual practice it may lead to such difficulties of delays, but I believe, in order to preserve this very essential safeguard against hasty exercise of large powers, it should not be beyond the ingenuity of the advisers to the Health Ministry to devise some way by which this safeguard could be retained at the same time delays could be minimised.

Mr. Chairman: Amendment moved:

> In page 4, *after* line 34, *add*
>
> "Provided that the Inspector shall not take action under this sub-section unless he has reported the facts to the District Magistrate or the Chief Presidency Magistrate and has been authorised by such Magistrate to take such action."

Rajkumari Amrit Kaur: The amendment proposed by the hon. Member seeks to restore the proviso, which is sought to be deleted in this Bill for the obvious reason that the Drugs Inspector might be enabled to function effectively and efficiently. The intention is that there need not be any intervention by the Magistrates at this stage; but the search and seizure should be conducted according to the procedure laid down in the Criminal Procedure Code. This is what you will find in the proposed new section 22 (2) in the Bill. This point was also raised in the Rajya Sabha, and there I said that in view of the safeguards provided in section 25 of the principal Act, the proposed proviso was redundant, and in fact it might even make the working of the Act somewhat difficult.

So, I would ask the hon. Member to withdraw this amendment, if he will kindly do so.

Mr. Chairman: Need I put this amendment to the vote of the House?

Shri V. B. Gandhi: In view of the explanation given, I would like to withdraw it.

The amendment was, by leave, withdrawn.

Mr. Chairman: The question is:

> "That clause 11 stand part of the Bill."

The motion was adopted.

Clause 11 was added to the Bill.

Clause 12.—(*Amendment of section 27 etc.*)

Shri V. B. Gandhi: I beg to move:

> In page 4, line 49, *for* "three years" *substitute* "two years".

This clause 12 provides for publicity to be given to the sentence and the nature of the offence, by a Magistrate. In a social legislation of this kind, publicity may have a legitimate place as a deterrent. But we know there are Magistrates and Magistrates, who in their reforming zeal can go to any limit. It is, therefore, necessary, and it is desirable also, that we should prescribe some limit to the expense which he might ask the offending person to incur on account of that publicity. It may be said that the expense may not be more than Rs. 10 or Rs. 20. If that is so, that is very good. But I know certain newspapers in big cities, where the charge is perhaps Rs. 20 per single column inch, and perhaps 20 or 30 column inches used by an enthusiastic Magistrate might easily mean an expense of Rs. 500 or Rs. 600. If some such limit is placed, we shall know where we are. In large cities, from our experience, we find that the Press is usually very vigilant, and any such offences against social legislation are quickly reported and fully reported also. In small towns, of course, this may not happen, but there the newspapers have a very low rate of charges for advertisement, and therefore, it may not be necessary to exceed the limit of Rs. 250 suggested by me.

Mr. Chairman: Amendment moved:

> In page 4, line 49, *for* "three years" *substitute* "two years".

Rajkumari Amrit Kaur: As I said in my opening remarks, the manufacture and sale of spurious drugs have increased in recent years, and there has been an insistent demand from State Governments and others for the enhancement of the penalties provided in the Act. I do not consider that reducing the sentence from three to two years is really necessary. The present proposal to enhance the penalty under section 27, that is, the imprisonment to a period of three years will automatically make offences under this section cognisable offences, and that should be done within the meaning of the relevant section of the Criminal Procedure Code. The acceptance of the amendment proposed by the hon. Member will defeat this object, and therefore, I am sorry I am unable to accept it.

I would like to assure the House that the enhancement of the penalty under this section will not necessarily result in any hardship to offenders, but we must deter people as far as possible from going in for this very unsocial practice.

Shri V. B. Gandhi: May I just have a word of explanation?

Mr. Chairman: As the explanation has come from the hon. Minister, the hon. Member might give his reaction and say whether he wants me to put his amendment to the vote of the House.

Shri V. B. Gandhi: That is exactly what I mean. Inadvertently, I have spoken on my amendment to clause 16, and I accept her explanation.

Mr. Chairman: It is all right then, for it has saved us the time which

[Mr. Chairman]

would have been spent on that clause.

Shri V. B. Gandhi: I accept her explanation, and I beg leave of the House to withdraw my amendment.

The amendment was, by leave, withdrawn.

Mr. Chairman The question is:

"That clause 12 stand part of the Bill."

The motion was adopted.

Clause 12 was added to the Bill.

Clauses 13 to 15 were added to the Bill.

Clause 16.—(*Substitution of new Chapter for section 34 etc.*)

Shri V. B. Gandhi: I beg to move:

In page 6, *line* 23 *after* "person" *insert* "such expense not exceeding two hundred and fifty rupees,"

Mr. Chairman: Amendment moved:

In page 6, line 23, *after* "person" *insert* "such expense not exceeding two hundred and fifty rupees."

Rajkumari Amrit Kaur: As I have said before, I am not willing to accept the amendment, for the reasons already stated.

Mr. Chairman: Does the hon. Member want this amendment to be put to vote?

Shri V. B. Gandhi: I beg leave of the House to withdraw it.

The amendment was by leave, withdrawn.

Mr. Chairman: The question is:

"That clause 16 stand part of the Bill."

The motion was adopted.

Clause 16 was added to the Bill.

Clause 17 was added to the Bill.

Clause 1.—(*Short Title*).

Amendment made:

In page 1, line 4, *for* "1954" *substitute* "1955".

—[*Rajkumari Amrit Kaur*]

Clause 1, as amended, was added to the Bill.

Enacting Formula

Amendment made:

In the Enacting Formula, *for* "Fifth year" *substitute* "Sixth Year".

—[*Rajkumari Amrit Kaur*]

The Title and the Enacting Formula, as amended, were added to the Bill.

Rajkumari Amrit Kaur: I beg to move:

"That the Bill, as amended, be passed."

Mr. Chairman: Motion moved:

"That the Bill, as amended, be passed."

Shri Kasliwal (Kotah-Jhalawar): I wholeheartedly welcome this Bill. The criticisms which have been made today in the House have been very few. One of the criticisms which was made by Shri Gidwani was that there should be a state trading in drugs. That is a suggestion which is most infeasible, and I am told the hon. Minister has already answered this point.

4 P.M.

The other criticism that came is from Shri V. B. Gandhi.

Shri Gidwani: I am told my criticism was accepted. You and I were out.

Shri Kasliwal: I have the right to say what my view is. I am saying that it is very infeasible.

The other criticism that came is from Shri V. B. Gandhi. He has already withdrawn all his amendments. What was the main object of this Bill? The main object of this Bill was to tighten up the Drugs Act and at the same time. to make its provisions more stringent. In that respect, I must say the Bill, on the whole, is a very good one. You will recall that the drugs racket in this country has been spreading its tentacles. I remember a case which happened in Calcutta last year in which a large factory which was dealing in and manufacturing spurious drugs was unearthed. And what was found? As my friend, Shri V. B. Gandhi said, they were manufacturing pills, tablets and tabloids out of chalk and passing them as sulphadiazine, anacin, aspro and all sorts of things. They contained nothing else but chalk.

Shri Gidwani: That has proved my point.

Shri Kasliwal: It does not. You may say that about manufacture, but not about State trading.

As such, I feel that the provisions of this Bill should be accepted by this House. I particularly welcome the provision with regard to companies which have been newly added to the Drugs Act. I say that the companies are more responsible for this drugs racket than anybody else. So far as the definition of companies and of directors is concerned, it is also a very good one. They now include firms and partnership concerns and a director includes a partner of such a firm. I also welcome the provision with regard to publication of the offences which have been committed by these companies as well as the punishment which has been given to these companies. at their expense.

Sardar A. S. Saigal: During the war years, the Act remained inoperative as the publication of rules under the Act was delayed and it was, in fact, not until 1944 that a start was made in this respect.

Mr. Chairman: I might request the hon. Member to remember that this is the third reading stage.

Sardar A. S. Saigal: I am giving a brief history and after that, I will go on. It was the war emergency conditions that gave rapid growth to the drugs industry.

But the growth was not normal. Sometimes, Indian products were inferior substitutes for unavailable foreign products, sometimes they existed on sufference. In a way, both the importation and manufacture of drugs were freely permitted.

I will give some facts as regards imports of some special drugs and medicines.

	1952-53		1953-54	
	Value (In lakhs) Rs.	Percentage of total.	Value (in lakhs) Rs.	Percentage of total
Total supports	1132.00	100	1228·62	100
Glandular products.	4·66	0·41	1.87	0.15
Liver extracts	8·93	0·79	4·84	0·39
Paludrine	14·67	1·29	34.16	2·77
Sulpha Drugs	95·64	8·44	74·49	6.14
Penicillin and Preparations	164·58	14·53	185.76	15·11 etc.etc.

Mr. Chairman: The hon. Member has certainly collected very useful information. I am sorry I could not give him time during the general discussion. But I would request him to adhere to the rules that are usually observed.

Sardar A. S. Saigal: The principal Act permits the manufacturers....

Shri U. M. Trivedi (Chittor): On a point of order. We have all been noting that the hon. Member has collected a good many facts and he is reading them. Is reading of a speech all right?

Mr. Chairman: I am allowing him this latitude because the time is short and he has to tell us many things.

Shri A. M. Thomas: Very valuable information.

Mr. Chairman: He will finish within the next two minutes.

Sardar A. S. Saigal: Section 27 of of the original Act, provides for penalty for manufacture, sale etc. of drugs in contravention of chapter IV of the Act. Imprisonment for offences described is for a period of one year or fine not exceeding Rs. 500 or both. Under section 30, the punishment for subsequent offences is described as imprisonment extending to two years or fine to Rs. 1,000 or both. In recent year, there has been an increase in manufacture and sale of spurious drugs. Accordingly, the penalties for offences have been enhanced.

The provisions which have been made in this Bill will be beneficial to the people. By this, we will be able to control the spurious drugs which are being manufactured in the country, and also produce superior drugs which we can send out to other countries. That the proposed Bill has received unanimous support from all State Government is very encouraging. It has been felt in some circles, that quite heavy penalties have been provided in the Bill to deal with sub-standard drugs produced intentionally.

Mr. Chairman: The question is:

"That the Bill, as amended, be passed".

The motion was adopted.

DENTISTS (AMENDMENT) BILL

The Minister of Health (Rajkumari Amrit Kaur): I beg to move:

"That the Bill further to amend the Dentists Act, 1948, as passed by the Rajya Sabha, be taken into consideration."

In presenting this Motion before the House, I have very little to say. The House is aware that the Dentists Act came into force with effect from the 29th March, 1948, in all the then provinces of India which are now included in Part A, Part C and Part D of the First Schedule to the Constitution. Part B States were entirely excluded, and that has meant a great deal of hardship on these States, because those who are unqualified to practice in Part A, C and D States, can go into Part B States. That is something that should certainly be remedied

Experience of the working of the Dentists Act during the last six years or more has shown that some of its provisions are not in conformity with the original intentions of Government and, in addition, the strict application of this Act has resulted in a certain amount of hardship, for this reason, that we asked them to get qualifications which would enable them to become registered, but because, I am sorry to say, of the lack of facilities that we have in order to give them these opportunities, they have not been able to do so. We, therefore, feel that the period should be extended. A number of suggestions, therefore, have been received from the Governments of Part A States, the Director General of Health Services and the Dental Council of India that some of the provisions of the Dentists Act may be amended.

There is nothing controversial whatsoever about the amendments that have been proposed, and the Statement of Objects, and Reasons shows quite clearly why the amendments that have been proposed are necessary. Because I have received no amendments, except one about laying the rules on the Table of the House. I take it that the House is in absolute agreement with me.

Mr. Chairman: The question is:

"That the Bill further to amend the Dentists Act, 1948, as passed by the Rajya Sabha, be taken into consideration."

Resolution re

The motion was adopted

Clauses 2 to 17 were added to the Bill.

Clause 1.—(*Short title*).

Amendment made: In page 1, line 4, *for* "1954" *substitute* "1955".

—[*Rajkumari Amrit Kaur*]

Clause 1 as amended, was added to the Bill.

Enacting Formula

Amendment made: In the Enacting Formula *for* "Fifth Year" *substitute* "Sixth Year".

—[*Rajkumari Amrit Kaur*]

The Title and the Enacting Formula, as amended, were added to the Bill.

Rajkumari Amrit Kaur: I beg to move:

> "That the Bill, as amended, be passed."

Mr. Chairman: The question is:

> "That the Bill, as amended, be passed."

The motion was adopted.

RESOLUTION *RE* ENHANCEMENT OF EXPORT DUTY ON TEA

The Minister of Commerce (Shri Karmarkar): I beg to move*:

> "In pursuance of sub-section (2) of section 4A of the Indian Tariff Act, 1934 (XXXII of 1934), Lok Sabha hereby approves of the notification of the Government of India, in the Ministry of Commerce and Industry, No. S.R.O. 112, dated the 8th January, 1955, by which the export duty on tea was enhanced from seven annas to ten annas per lb. with effect from the date of the said notification."

As hon. Members are aware, this House, during its last Session......

Mr. Chairman: The Business Advisory Committee grouped all these Resolutions together and allotted the time of two hours for all of them to be discussed together. If it is not inconvenient to the hon. Minister, he will move all the four Resolutions together and the discussion might be thrown open for all of them.

Shri Karmarkar: Perhaps, we might finish this Resolution by itself.

Mr. Chairman: It may not be possible; we have to raise at 4-30.

Shri Karmarkar: I do not mind. I will move all of them together.

Shri M. S. Gurupadaswamy (Mysore): There are four Resolutions and the two hours may be divided into half an hour each.

Mr. Chairman: I have no objection.

Shri Karmarkar: I have no objection if the House agrees.

Shri Sarangadhar Das (Dhenkanal—West Cuttack): I think all the four may be taken together.

Shri Karmarkar: The first one may be finished in half an hour and the rest may be taken up together and finished in an hour and a half.

Mr. Chairman: It was decided by the Business Advisory Committee that all the four may be taken together.

Shri Karmarkar: I have no objection. The first one is for tea and the others are for oilseeds and oil. This may be taken first.

Mr. Chairman: Yes.

Shri Karmarkar: As hon. Members are aware, this House, during its last session, approved of the Resolution on the enhancement of the export duty on tea from annas four to annas seven per lb. with effect from the 2nd October, 1954. I informed the hon. Members then that though the prevailing level of prices of tea at that time justified a larger increase in duty, Government took a long-term view and decided to make only a moderate increase in duty in order that this level of duty could be sustained for a fairly long period without damaging our export prospects. At the same time, Government examined carefully the need for the introduction of a system which would automatically adjust itself in relation to major variations in price. The details of this system have been worked out and will be introduced in the Tariff Bill by the Finance Minister. Under this system Government would be able to mop up profits during a period of high prices while the industry would get benefit automatically when there is a steep fall in prices. The system will at once retain the advantages of a specific duty and avoid the administrative difficulties of an *ad valorem* duty.

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*Moved with the recommendation of the President.

It was considered that pending the introduction of this system the rate of duty should be raised to a level which would be appropriate to the prevailing price. Hence Government issued a notification on the 8th January 1955, increasing the export duty on tea from seven annas to ten annas per lb. This duty is a moderate one compared to the prevailing price of tea. Incidentally, I may mention that Ceylon increased the duty from 100 cents, that is Re. 1 per lb. to 130 cents *i.e.,* Rs. 1/4/9 per lb. in the month of January, 1955.

I commend this Resolution to the hon. Members of this House for acceptance.

Mr. Chairman: As has been desired by some hon. Members, we might take half an hour for the Resolution regarding tea or, if the House wants that all the four Resolutions should be discussed together and every Member should be given an opportunity to talk on any one of them he likes, we can discuss them together. May I know the reactions of the hon. Members whether all of them may be taken up together or half an hour should be given to each of them separately?

Hon. Members: Tea may be taken up separately.

Mr. Chairman: There is no hon. Member who desires to speak on this. Then, I will put it to the House.

The question is:

> "In pursuance of sub-section (2) of section 4A of the Indian Tariff Act, 1934 (XXXII of 1934), Lok Sabha hereby approves of the notification of the Government of India in the Ministry of Commerce and Industry, No. S.R.O. 112 dated the 8th January, 1955, by which the export duty on tea was enhanced from seven annas to ten annas per lb. with effect from the date of the said notification."

The motion was adopted.

RESOLUTION *RE* EXPORT DUTY ON GROUNDNUTS, GROUNDNUT OIL CAKE, DE-OILED GROUNDNUT MEAL AND DECORTICATED COTTON SEED OIL CAKE ETC.

The Minister of Commerce (Shri Karmarkar): I beg to move*:

> (1) "In pursuance of sub-section (2) of section 4A of the Indian Tariff Act, 1934 (XXXII of 1934). Lok Sabha hereby approves of the notification of the Government of India in the Ministry of Commerce and Industry No. S.R.O. 113, dated the 9th

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*Moved with the recommendation of the President.

January, 1955 by which the export duty on groundnuts was enhanced from Rs. 150/- to Rs. 300/- per ton cf 2,240 lbs. with effect from the date of the said notification."

(2) "In pursuance of sub-section (2) of section 4A of the Indian Tariff Act, 1934 (XXXII of 1934), Lok Sabha hereby approves of the notification of the Government of India in the Ministry of Commerce and Industry, No. S.R.O. 332, dated the 5th February, 1955, by which an export duty of Rs. 230/- per ton of 2,240 lbs. on groundnut oilcake and an export duty of Rs. 175/- per ton of 2,240 lbs. on de-oiled groundnut meal (solvent extracted variety containing less than ½ per cent. oil) were levied with effect from the date of the said notification."

(3) "In pursuance of sub-section (2) of section 4A, of the Indian Tariff Act, 1934 (XXXII of 1934), Lok Sabha hereby approves of the notification of the Government of India in the Ministry of Commerce and Industry, No. S.R.O. 386, dated the 15th February, 1955 by which—

(i) an export duty of Rs. 100/- per ton of 2,240 lbs. on decorticated cotton seed, oil cake and an export duty of Rs. 50/- per ton of 2,240 lbs. on all oil cakes, other than the following namely, groundnut, copra, mowha, tobacco seed, neem seed and decorticated cotton seed oil cakes were levied; and

(ii) the export duty levied on de-oiled groundnut meal (solvent extracted variety containing less than ½ per cent. oil) was made applicable to de-oiled groundnut meal (solvent extracted variety containing less than 1 per cent. oil) with effect from the date of the publication of said notification in the Gazette of India."

I should like to say at the outset about the way in which our budgeting of export quotas as well the fixation of export duties are normally done. As hon. Members are aware, on many a commodity, our decisions have to be limited by international conditions. The commodity prices, many a time, rise and fall in the external market and we have had to expand our exports or limit the exports as justified by world conditions. There is also the internal demand and the quantum of export is also influenced by what the internal demand could be as against the internal supply. The supply is also bound to vary, and whereas the demand remains more or less constant, owing to a short-fall in crops or an increase in crops, there is always a difference in availability. Then, again, the principal consideration in firstly imposing an export duty or raising an export duty or decreasing the export duty is with a view to mop up any unnecessary excess profit. That is to say, if there is a large gap between the internal prices and the corresponding external prices, that is, export prices and the foreign prices prevailing at a particular time, then the State has always taken care to see to it that the advantage goes to the State. If I might invite the attention of the House to the salient facts connected with these three Resolutions, the House will notice that whereas the first Resolution seeks to have the support of the House for the action taken by the Government, according to the Resolution quoted, by which the export duty on H.P.S. groundnuts was enhanced from Rs. 150 to Rs. 300 per ton of 2,240 lbs., in the second case, that is the Resolution under item 7 of the Agenda, what we did at that time was that we imposed an export duty of Rs. 230 per ton on groundnut oilcake and Rs. 175 per

[Shri Karmarkar]

ton on de-oiled groundnut meal. In the third case, the House will note that part (ii) of the Resolution relates itself to a little variation in the type of oilcake, whereas by the first part of the Resolution we impose a duty of Rs. 175 per ton on de-oiled groundnut of a particular variety meal. We define that meal as solvent extracted variety containing less than ½ per cent. oil. By the second part of the third Resolution, we have made that applicable to de-oiled groundnut meal containing less than one per cent. of oil. In the first part of the third Resolution, what we have done is that an export duty of Rs. 100/- per ton of 2,240 lbs. on decorticated cotton seed oilcake and an export duty of Rs. 50 per ton on all oilcakes have been levied. All these actions have been based on the considerations prevalent in respect of the different commodities that have been mentioned there.

I shall not take the House through all the various vicissitudes connected with these exports. As the House will doubtless remember, our policy of exports in the case of groundnuts and groundnut oil has varied from time to time. For instance, I might invite the attention of the House only to the latest policy announced in regard to groundnut oil. The policy adopted on the 28th November, 1954 was this. Our first release was 20,000 tons, and on the 20th January, 1955, we released another quota of 20,000 tons of groundnut oil. The third release was on the 4th February, 1955, and that was for a quantity of groundnut oil to the extent of 30,000 tons. Regarding groundnuts, our first release was on the 28th November, 1954, and that was 10,000 tons; the second release came on the 8th January, 1955, and that was about 10,000 tons, that is 8,000 tons in terms of oil. So, it came to this that the total quota so far released, in terms of oil, came to about 84,000 tons. In respect of this particular matter, I might tell the House that normally we have fixed an annual ceiling of 80,000 tons. This was fixed by the Government in 1950 for exports outside India, but as I said a moment ago, the quantum of export during each year is fixed in consultation with the Ministry of Food and Agriculture on a review of the domestic requirements, price tenders, etc. For instance, during 1952-53, a quota of 60,000 tons was fixed for export. Then the position was again examined a little later, and because the internal position was rather tight, we examined the position and it was decided at the beginning of June, 1953 to ban further sales, and by August further shipments of oil were also stopped. Then again, in the month of July and August, 1954, prices began to decline on the expectation of a further good crop in 1955. They moved, as hon. Members are aware, somewhere between Rs. 1120 and Rs. 1150. There were also complaints about accumulations in the different parts of the country and trade became nervous as it was anticipated that the crushing of the new crop and the carry-over from the previous year would pull prices downward. Therefore, the Government released the following quotas at different stages. The first release and the second release in August and October, 1954, were to the tune of 15,000 and 14,000 tons of the old crop. As soon as the estimates of the new crop was definitely known, the following further releases were made. I will not tire the House with details of these figures. From the new crops we made a further allotment of 76,000 tons. At that time it was decided to allow exports; it was found that there was considerable difference between internal and external prices. The internal prices were ranging between Rs. 1,000 and

Rs. 1,120 per ton whereas the external prices of groundnut were Rs. 1,800 per ton. It was considered that while an export quota might help to develop the market, we had to guard against the prices running away by levying a high export duty. As hon. Members are aware, an export duty of Rs. 350 per ton was imposed on groundnuts on the 29th July, 1954. I will not tire the House with the considerations that formed the basis of our action. Because the external prices showed no signs of rallying and internal prices fell at Madras by Rs. 132 per ton, it was decided, as a further effort to sustain the market, to scale down the export duty from Rs. 350 to Rs. 225 per ton on the 2nd September, 1954.

Mr. Chairman: The hon. Minister may continue his speech tomorrow.

As it is 4-30 P.M. now, the House will now adjourn and meet again at 5 P.M.

The Lok Sabha then adjourned till Five of the Clock.

The Lok Sabha re-assembled at Five of the Clock.

[MR. SPEAKER *in the Chair.*]

GENERAL BUDGET FOR 1955-56.

The Minister of Finance (Shri C. D. Deshmukh): Sir, I rise to present the statement of the estimated receipts and expenditure of the Government of India for the year 1955-56.

This year, for the first time, Hon'ble Members will find circulated with the Budget papers Hindi versions of the Budget Speech, the Annual Financial Statement and the Explanatory Memorandum. I am sure the House will welcome this beginning. The Budget documents contain a large number of highly technical terms for which suitable equivalents have yet to be evolved and standardised. Imperfections are inevitable in this first attempt and I trust Hon'ble Members will bear with them.

Economic conditions during 1954 were generally satisfactory. Rainfall was seasonal and adequate in the country as a whole, although in certain parts of the country floods caused extensive damage. There was no other major climatic upset. In the aggregate the outturn of crops was good and the overall stability attained by the economy in 1953 was maintained.

The trend of prices for the greater part of the year was one of downward adjustment. The general index of wholesale prices which had stood at 392·6 at the end of December 1953 rose moderately to 404·2 by the middle of April 1954. Thereafter prices fell rather sharply to 378·4 by the end of June and, except for a slight rise up to the end of September, there was a further fall with the harvesting of the Kharif crop, and the index at the end of January 1955 stood at 360.

The recent fall in prices has been due largely to a fall in price of foodgrains, certain raw materials like oil seeds and certain miscellaneous articles like black pepper. The price of rice was about 12 per cent. lower in December 1954 as compared with December 1953 and that of wheat about 16 per cent. lower. Wheat prices had in fact declined by as much as 30 per cent. during the first six months of 1954 and, to safeguard the interests of wheat growers, Government announced a policy of price support at Rs. 10 per maund. Prices of coarse grains have also recorded a sharp decline in recent months and the Government of India have announced, as a measure of relief, the decision to purchase from cultivators jowar and maize at Rs. 5-8-0 per maund and Bajra at Rs. 6 per maund at certain specified mandis in areas where prices had fallen below these levels. These measures have on the whole had a reassuring effect.

The fall in wholesale prices has, to some extent, been reflected in living costs in various industrial centres. The All-India Working Class cost of living index declined by about 7 per cent. between January and December 1954. Compared with the peak of

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111 in July-August 1953, the index at 97 in December 1954 represents a decline of about 13 per cent. In several centres, specially in the eastern parts of the country, the fall has been larger. I may add that most of the existing cost of living indices are based either on pre-war weights or 1944 weights and the question of bringing these indices on to a more recent base and of improving the available series is under examination.

Agricultural production in the country during the year drawing to close was generally satisfactory. Good and seasonal monsoons in 1953-54 except for the floods I have mentioned, had resulted in a marked improvement in the agricultural production which stood about 18 per cent. higher than in 1950-51. The production of food grains in 1953-54 which amounted to 66 million tons, exceeded the Five Year Plan target by about 4·4 million tons; and that of oil seeds, at 5·6 million tons, by about one lakh tons. The production of cotton amounted to 3·9 million bales and very nearly reached the Five Year Plan target. Production of jute, on the other hand, has shown some wide fluctuations in recent years, corresponding to the violent fluctuations in the prices of jute, and now stands at about 4·5 per cent. lower than the figure recorded for the year 1950-51. While a part of these recent gains in agricultural production is no doubt due to favourable weather conditions obtaining during two successive years, a significant part must be regarded as a permanent addition to our agricultural production obtained through a number of measures like extension of irrigation facilities, increased use of fertilisers and the introduction of improved seeds and techniques whose benefits are spreading to larger and larger areas.

The increased production of food grains made it possible for the Government to further relax controls over the movement and distribution of foodgrains. With the lifting of restrictions in respect of rice in July 1954, the controls on food distribution have been practically dispensed with altogether. Only in regard to wheat there remain some restrictions on interzonal movement, which have been retained to make the best use of the stocks available with the Government.

The year 1954 closed with a comfortable stock of more than 1·5 million tons of foodgrains with the Central and State Governments. Due to the increase in the internal production of foodgrains, it has been possible to reduce the import of foodgrains to only about ·8 million tons in 1954 as against 4·7 million tons in 1951, 3·9 million tons in 1952 and 2 million tons in 1953. Further imports, which will not be large, will now be for purposes of strengthening our reserves. Indeed, we are now in a position to export a limited quantity of rice to recapture our traditional markets for the finer qualities.

Industrial production during the year also increased over a wide field. Cloth production rose from 4,900 million yards in 1953 to 5,000 million yards in 1954. The production of yarn also increased during the year, the consumption of yarn by the handloom industry reaching a figure of 78,000 bales during the first 10 months of the year compared with 73,000 bales for the whole of 1953. With increased supply of yarn and other forms of assistance given to the handloom industry, the production of handloom cloth increased by 100 million yards over the figure of 1,300 million yards in the previous year. Cement production increased from 3·78 million tons in 1953 to 4·36 million tons in 1954. In Jute, the production during the year was nearly 50,000 tons more than in 1953. The members of the Indian Jute Mills' Association, which covers nearly 95 per cent. of the industry, who had had to reduce their working hours in the past, found it possible to increase their working hours from 42½ hours to 45 hours a week from July 1954 and to 48 hours a week from October 1954. Production of finished steel reached an all time height of 1·23 million tons in 1954, which was nearly 2 lakh tons more than in 1953. Production of coal in 1954 was nearly one million tons more than in 1953. The only major industry to show a decline in production was the sugar industry in which, owing to adverse seasonal conditions and other special causes, there was a drop of about 2 lakh tons.

The tempo of industrial development has also been encouraging. During the year 110 licences were granted for the establishment of new industrial undertakings and 226 licences for existing undertakings to expand their units. Several new lines of production were first established in the country such as all-gear head lathes —12½″, motorised bench grinders, roller bearings, large size pumps, fuel injection equipment, staple fibre and chloromycetin. Two important steps were taken during the year with the object of assisting rapid industrialisation. The first was the setting up of the Government owned National Industrial Development Corporation. The Corporation is conceived mainly as an instrument for securing a harmonious development of industries in both the public and private sectors. The Corporation will not undertake financing of industries except in so far as it is incidental to the development of industries. The second was the floatation, with the co-operation and assistance of Government and the good offices of the International Bank of Reconstruction and Development, of the Industrial Credit and Investment Corporation of India, a private institution with a capital of Rs. 5 crores subscribed by the investors in India, the U.K. and the U.S.A. This Corporation to which Government will give an interest-free loan of Rs. 7½ crores and the International Bank for Reconstruction and Development a loan of $ 10 million will assist the development of industries in the private sector.

Small scale and cottage industries continued to receive special attention during the past year. On the recommendations of a team of Experts sponsored by the Ford Foundation, the Government of India have set up four regional institutes of technology for small industries, a Marketing Service Corporation and a Small Industries Corporation which would assist small scale industries in various directions. A Small Scale Industries Board has also been set up to co-ordinate the activities of these institutions and to carry out a programme of development. The development of Khadi and village industries and of handicrafts has been given systematic assistance through the All-India Khadi and Village Industries Board and the All-India Handicrafts Board.

State Industrial enterprises also had a satisfactory year. The Sindri Fertilizer Factory has reached its rated output capacty. Other industrial undertakings like Chittaranjan and the Indian Telephones have also recorded marked improvement. The Hindustan Cable Factory has recently been inaugurated; the Machine Tool Factory has started token production and the Penicillin and D.D.T. factories are due to start production soon. Preliminary work on the new steel undertaking at Rourkela is well in hand and, as the House is aware, an agreement has recently been signed with the U.S.S.R. for the installation of an additional steel plant with a capacity of 750,000 tons of finished steel. Proposals for the setting up of additional units for steel and fertiliser production and schemes for producing heavy electrical plant and synthetic oil from coal are under consideration.

Although satisfactory progress has been recorded in the field of production, and expanding production has, to some extent, meant increased employment, the employment situation continues to be a matter of some anxiety. We are not in a position yet to state in precise terms what the magnitude of the problem is. The definition and measurement of unemployment and under-employment in under-developed countries presents

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special problems. These are being considered by our technical experts, and we expect to get a steadily improving flow of information on the amount, incidence and causation of unemployment. The number of unemployed persons registered with the Employment Exchanges has risen continuously from about 522,000 in December 1953 to 581,000 in November 1954, reflecting partly the increase in population, but this again gives only a partial picture. It will be some time before we can put together the data now being collected from various surveys and enquiries. The problem of securing full employment in a vast country with a steadily growing population does not admit of a quick and easy solution. It is only by accelerating development on the widest possible front, covering both the urban and rural sectors and with a diversified and, wherever possible, decentralised pattern of production that employment opportunity on a scale commensurate with the needs of the population can be procured. I have no doubt that the next Five Year Plan will pay due regard to this very important aspect of the country's economic development.

There was a substantial increase in money supply during the year to meet the needs of increasing production and growing economic activity. The note circulation increased by Rs. 75 crores and demand liabilities of Scheduled Banks by about Rs. 55 crores. The increased money supply has been due, almost entirely, to expansionary factors within the country, the external payments position being more or less in balance.

There have been distinct signs of a revival of investor confidence and the capital market has reacted well to the general improvement in the country's economy. The response to both Government and private borrowing in 1954 was heartening, especially in comparison with the previous two years. Monetary policy and the structure of interest rates, save for a slight rise in short term rates, remained unchanged during the year.

The country's balance of payments position showed a surplus of Rs. 11 crores during the first two quarters of 1954. The third quarter of the year showed a deficit of Rs. 15 crores. In the last quarter, figures for which are not yet availble, it is expected that there will be a small surplus. There was an increase in imports during the year, particularly of industrial raw materials, and sugar imports have also been larger due to decline in indigenous production and increase in consumption. As a result, although our exports also increased, mainly through increased external demand for our major exports, jute and tea, and for the first time since 1951-52 our export prices were better in relation to import prices, there was a sizeable deficit in trade account during the second half of 1954. Taking the year as a whole, however, I expect that we shall be, more or less, in balance in our external transactions as against a surplus of Rs. 55 crores in 1953. This is roughly indicated by the movement in the level of our sterling balances which rose by about Rs. 4 crores during the year from Rs. 727 crores on 1st January to Rs. 731 crores on 31st December 1954.

Although the balance of payments position has so far been satisfactory, the increase in imports, which would become necessary with increased investment expenditure, would place considerable strain on the payments position in the future. It is, therefore, necessary to increase foreign exchange earnings through increased exports and considerable attention is being paid to export promotion. Export duties and quotas are adjusted from time to time to enable the country to maintain and develop its exports markets and strengthen its competitive position in the world markets. Thus export duties on a number of items, like manganese, black pepper, mustard oil, groundnut oil, linseed oil, castor oil and raw cotton have been either abolished or reduced. Export Promotion Councils have been set up during the year for cotton textiles, silk and rayon, and rules have been framed for giving drawback of import duty on raw materials and components utilised in the manufacture of several articles that are exported, as for example, linoleum, artificial fabrics etc.

The improvement in our dollar position has continued, although the net surplus with the dollar area in 1954 is expected to be smaller than in 1953. In the first half of 1954, excluding the official assistance received from the dollar area, the net surplus on Current Account with the dollar area was Rs. 7 crores as against Rs. 13 crores in 1953. While Government imports during the first half of 1954 were lower by more than 66 per cent. as compared to the previous half year owing to reduced purchases of food-grains, commercial imports, especially of raw cotton, offset the decline in imports on Government Account. There was also some decline in exports of metallic and non-metallic ores.

During 1954 for which only preliminary figures are available, we drew $12 million from the Sterling Area's reserves for meeting our obligations in the dollars area. The corresponding figure for 1953 was a surplus of $ 15 million. This was due to the fact that we made during 1954 a special payment of $47 million to the International Monetary Fund to repurchase a part of our currency from that Organisation. Hon'ble Members will remember that in my budget speech last February I mentioned Government's intention to repurchase from the Fund the equivalent of $ 72 million out of the total of $100 million we had purchased from it in 1948. We expect to make a further payment of $ 25 million next month, leaving an outstanding balance of about $ 28 million, which will not involve the payment of any interest charges.

India has continued to receive assistance from friendly countries towards her development schemes. For the current year a sum of $ 60·5 million was authorised by the United States Government as development assistance to India. About 50 per cent. of this assistance is being utilised in obtaining agricultural commodities like wheat and cotton. Out of this sum of $ 60·5 million, the Government of India have agreed that a sum of $ 45 million or its rupee equivalent should be a loan. The Government of Canada have again offered to provide a further sum of the order of $ 13 million, the Government of Australia a sum of £ 2·5 million and the Government of New Zealand a further sum of £ 250,000. The Ford Foundation, which has been providing assistance for programmes of development, particularly in the field of training, made available an additional sum of $ 1·1 million. Under the Colombo Plan, we are also providing assistance to neighbouring countries. In the Budget for the next year, the total sum to be received by us by way of external assistance under the Colombo Plan and from friendly countries is expected to amount to Rs. 74 crores, while we shall be spending on the provision of such aid to other countries approximately Rs. 2 crores. I take this opportunity of expressing our appreciation of the active and helpful interest our friends continue to take in our economic development.

During the current year, India obtained two more loans from the International Bank for Reconstruction and Development; a loan of $ 16·2 million to Tatas for their Thermal Power Project at Trombay, and another of $ 10 million to the recently established Industrial Credit and Investment Corporation of India. This brings the total of loans from the Bank to India to $ 126·7 million. Both the loans being for private bodies, the Government of India has guaranteed them as usual

I should like to mention at this stage the steps taken by the Government of the United Kingdom towards convertibility of sterling. The Pound has been disencumbered of a mass of

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short term financial obligations by reducing the U.K. debts to other members of the European Payments Union, and by the repayment of the outstanding borrowings to the International Monetary Fund. A number of steps have also been taken to simplify the Exchange Control operations through the widening of the automatic transferability and usability of sterling held by non-residents, and a significant step towards limited convertibility was taken by the reopening of a number of commodity markets. These steps are of advantage to the entire sterling area and reflect the growing strength of sterling to which all sterling area countries have contributed. India has also liberalised its exchange restrictions and some steps have been taken towards relaxation of exchange facilities. We must not forget, however, that our foreign exchange expenditures are bound to grow rapidly as development programmes are accelerated, and we must spare no efforts to conserve our foreign exchange reserves and to secure an improvement in our export earnings. I should like to take this occasion to remind the House that since the end of March 1951, until the close of 1954, that is, roughly in four years of the Plan, our sterling balances declined by Rs. 153 crores. By the end of March 1955 we would have received external assistance in the form of outright grants of about Rs. 56 crores and in the form of loans of nearly Rs. 100 crores. As I mentioned earlier, though our present balance of payments position is satisfactory, it would, in my judgment, be wrong to infer that the long term outlook is any other than one of continued relative shortage of foreign exchange.

All in all, 1954 may, in a sense, be regarded as the end of the post war period of transition. The substantial increase in food production, the improvement in the supply position in other directions and the disappearance of inflationary conditions represent the end of war time stresses and strains. The process of decontrol which commenced in 1952 was more or less completed in 1954, and free interplay of market demand and supply forces was resumed over a wide field. From now on, unless a very marked deterioration takes place in the international situation or a natural calamity like the failure or maldistribution of the monsoon occurs in a big way, the determining factor in the economic situation, we may hope, will be the rate of planned economic development in the country.

I shall now deal with the Revised Estimates for the current year and the Budget Estimates for the coming year

The Budget for the current year provided for a revenue of Rs. 451·73 crores and expenditure of Rs. 467·09 crores, leaving a deficit on Revenue Account of Rs. 15·36 crores I now expect that the revenue deficit will amount to Rs. 5 crores only. The improvement is the result of a saving in expenditure of Rs. 11·01 crores offset by a small fall in revenue of Rs. 65 lakhs.

The Revenue from Customs is now put at Rs. 180 crores against Rs. 175 crores taken in the original budget. During the year, a number of Export Duties were, as I stated earlier, abolished or reduced in the interests of our export trade but the resultant fall in revenue was more than offset by the increase from the enhancement of the Export Duty on tea which is expected to bring in an additional revenue of Rs. 6·6 crores this year. Larger imports of sugar, necessitated by the decline in indigenous production, also resulted in increased revenue to the extent of about Rs. 10 crores. Against these increases the Revenue under Customs will lose this year about Rs. 6 crores owing to the gradual replacement of imports of motor spirit, kerosene and lubricants by indigenous production of oil refineries in India, one of which went into production this year. The revenue from Union Excise Duties is now estimated at Rs. 103·65 crores, about the same figure as in the original budget, the additional revenue from increased production of petroleum and kerosene being neutralised by a fall of Rs. 3½ crores in revenue from sugar and an almost equal fall in revenue from tobacco. The fall under sugar is due to the decline in production during 1954; that under tobacco to the concessions in duty given during the year as a measure of relief in view of the large accumulations of stocks with growers and traders and the resultant fall in prices. The revenue from new excises introduced during the last Budget has been, more or less, according to expectation. The total collections from these new excises are now estimated at Rs. 4·75 crores against Rs. 4·2 crores assumed in the budget. Revenue from income-tax has been taken at Rs. 165 crores which is the same as the budget figure. The credit of Rs. 9 crores which I had taken in the Budget from repayment of partition debt by Pakistan has, however, not materialised so far, as, contrary to the hope which I had expressed in my Budget Speech last year, it has not yet been possible, for a variety of reasons, to reach a settlement with Pakistan over the outstanding financial issues between the two countries. Further negotiations are as the House is aware, to take place in the near future and I hope that these will result in a satisfactory settlement on these vexed issues. The estimate of Rs. 4 crores from Estate Duty taken in the original budget has proved optimistic and I now expect only Rs. 1·26 crores from this source during the current year. The Estate Duty proceeds go, however, almost entirely to the States and the reduction does not affect the Central Budget. I may mention that the distribution of the Estate Duty proceeds among the States has under Article 269 of the Constitution to be made in accordance with such principles of distribution as may be formulated by Parliament by law. We have been considering the question of formulating the principles of distribution, but with the very limited experience of the working of the Estate Duty Act and the lack of basic data, such as sources and area of collection, essential to the framing of a scheme of distribution, it has not been possible to do so. We have, therefore, come to the conclusion that the next Finance Commission should be asked to advise on this issue and that in the meanwhile a provisional distribution should be made on the same basis as the States' share of income-tax. This provisional distribution will be subject to revision by the next Finance Commission; and as the collections of duty are not likely to be large for some time this will not make for any significant difference to the finances of individual States. Other miscellaneous heads of revenue show an improvement of about Rs. 3 crores.

Expenditure this year is now estimated at Rs. 456·08 crores of which Civil Expenditure will amount to Rs. 258·06 crores, a saving of Rs. 3·41 crores in the original budget and Defence Services to Rs. 198·02 crores, a saving of Rs. 7·6 crores in the original budget.

The saving in Civil Expenditure is the net result of a number of variations of which I need mention only the more significant ones. Consequent on the fall in revenue from the Excise Duty on tobacco mentioned earlier, the share of Union Excise Duties payable to States, payment of which is treated as expenditure, will decrease by Rs. 1·18 crores. Payments to States against the provision of Rs. 8·13 crores for educational schemes are now expected to amount to Rs. 6 crores only owing to the slower progress of expenditure in some States. Similar savings amounting to Rs. 4·49 crores are expected in grants to States towards Community Development Projects and National Extension Service. On the other hand, grants to States for flood and famine relief have increased from Rs. 2 crores in the original budget to Rs. 6 crores, expenditure on displaced persons by Rs. 89 lakhs, while expenditure of the Pondi-

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cherry State accounts for an addition of Rs. 76 lakhs to the Central Budget.

The saving in expenditure on Defence Services is mainly due to the fact that procurement of stores was less than anticipated at the time the budget was framed. There has also been a reduction in demands as a result of economies.

For the next year, Revenue, on the basis of existing taxation, is estimated at Rs. 468·76 crores and Expenditure at Rs. 496;93 crores, leaving a deficit of Rs. 30·17 crores.

The Revenue from Customs in the coming year has been placed at Rs. 165 crores against the current year's Revised Estimate of Rs. 180 crores. The recent enhancement of the Export Duty on tea will bring an additional revenue of Rs. 11 crores over the current year's yield. Imports of motor spirit, kerosene and lubricants will, however, decrease to almost a quarter of the present level as a result of the second oil refinery at Bombay also coming into full production. In consequence there will be a drop of about Rs. 20 crores under this Head as compared with the collections of the current year but a substantial part of this revenue will be realised through excises. Imports of sugar are also expected to be less than in the current year. In the result the Customs Revenue will show a net drop of Rs. 15 crores next year. The revenue from Excise Duty is put at Rs. 123·45 crores next year as compared with the current year's Revised Estimate of Rs. 103·65 crores. The increase is largely accounted for by revenue from the excises on kerosene and petrol following larger internal production; the collections of Tobacco Excise are also expected to improve by Rs. 3·3 crores, and, following better production, the collections from sugar by Rs. 1·5 crores. Under income-tax the current years figure of Rs. 165 crores is being repeated for next year. Collections recently have been somewhat lower than expected due to the progressive clearance of arrears but I hope that improvement in normal collections will make up for this deficiency. Revenue from Estate Duty is estimated at Rs. 3 crores next year but, as I have already pointed out, this goes almost wholly to the States. Under Currency and Mint, profits of the Reserve Bank payable to Government are expected to be Rs. 20 crores next year against Rs. 17·5 crores this year, owing to the increased yield on Treasury Bills held by the Issue Department. I am also taking a credit of Rs. 8 crores from profits from the sale of sugar imported on Government account. On the other hand, I am not taking any credit for repayment of partition debt by Pakistan in view of what has happened in the last two years. If, as I hope, a settlement is reached in the coming year, I shall take the credit into account in my revised estimates.

The Expenditure next year is being placed at Rs. 498·93 crores, Rs. 202·68 crores under Defence Services and Rs. 296·25 crores under Civil Heads.

The Estimates for Defence Services show an increase of Rs. 4·66 crores over the Revised Estimates for the current year. This increase is mainly due to the normal expansion programme of the Navy and Air Force but party to the promulgation of the New Pension Code and the grant of certain pensionary benefits to personnel recruited initially on a short term engagement but kept on for longer periods. The Army budget actually shows a decrease of about Rs. 1 crore in spite of the inclusion of substantial amounts for certain modernisation measures. This has been rendered possible by economies in other directions. While in present conditions it is not realistic to expect any reduction in the strengths of the Defence Forces, we are trying to effect as many economies as possible by better conservation and utilisation of staff, reduction in scale of consumption and avoidance of wastes. The drive for economy has been and is being pursued with vigour and I know receives constant attention from my colleagues in the Defence Ministry.

Considerable progress has also been made in the production, in India, of stores required by the Defence Services. As the House is aware, a Committee was appointed last year under the Chairmanship of Sardar Baldev Singh to examine the present organisation, procedure and methods of production in our Ordnance Factories with a view to expanding their activities and ensuring their economical administration. The Committee recently submitted their report, which is under the examination of Government. A factory for the manufacture of electronic equipment is being set up. Plans are under consideration for undertaking the manufacture of certain other types of stores in India, the aim being to achieve self-sufficiency in as wide a field as possible.

Before I deal with the Estimates of the Civil Expenditure, I may mention that we are making a beginning on the 1st April 1955 with the separation of Audit from Accounts, on which the Public Accounts Committee have rightly been laying stress. As I stated during the budget discussions last year, there is no difference of opinion about the need for separation, but such a fundamental change in a long and well established system which affects both the Centre and the States can be brought about only by stages to avoid dislocation of administration. The Finance Ministry have been in close consultation with the Comptroller and Auditor General and it has now been decided, as a first step, to introduce the reform in respect of the transactions relating to Supply, Food and Rehabilitation with effect from the 1st April 1955. Accordingly, Departmental Accounts Offices are being constituted in the respective Ministries. To begin with, the extra staff will be provided for these offices from the Indian Audit Department and the scheme will be implemented in close and continuous consultation with the Comptroller and Auditor General. The Comptroller and Auditor General has been in correspondence with the States also for a similar change to be made in the maintenance of the Accounts relating to the States and it is hoped that it will be possible to make a beginning during the next financial year in some of the States as well.

Civil Expenditure next year shows an increase of Rs. 38·19 crores. The bulk of the increase represents larger allotments for development expenditure, which is inevitable in the final year of the Plan. As usual, full particulars of the individual variations are given in the Explanatory Memorandum. I will mention here only the more important ones.

The total expenditure on Nation Building and Development Services amounts to Rs. 75·3 crores against Rs. 50·69 crores in the current year. Allowing for a transfer of about Rs. 4·6 crores from other heads the net increase here comes to Rs. 20·01 crores. Thus the Budget for Education increases by Rs. 7·3 crores to Rs. 18·31 crores which includes provision of Rs. 10 crores for grants to States for Basic, Social and Secondary Education, Rs. 3·5 crores for the University Grants Commission and Rs. 1·29 crores for scholarships to students of Scheduled Castes, Scheduled Tribes and other Backward Classes. Expenditure on Scientific Departments and research schemes increases by Rs. 2·01 crores; Medical and Public Health Services account for an increase of Rs. 1·96 crores; and development of village and small scale industries will cost an additional Rs. 2·23 crores. For development of Khadi and Handloom industries, a total provision of Rs. 4·25 crores has been made which will be met from the fund created out of the special cess on mill made cloth. In addition to the increase of Rs. 20·01 crores under Nation Building and Development Services, mentioned above, there is an increase of Rs. 4·44 crores

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in expenditure on Community Development Projects and National Extention Services; an increase of Rs. 2·42 crores in grants to Part C States with their own legislatures for financing their development schemes; an increase of Rs. 81 lakhs in grants for the development of Scheduled Tribes and Scheduled Areas; an increase of Rs. 50 lakhs in grants to States for the development of primary education under the finance Commission's award and an increase of Rs. 1·1 crores in grants for social welfare and welfare of backward classes. The total additional provision for Development Services next year thus aggregates about Rs. 29·27 crores.

Of the rest of the increase in Civil Expenditure, a sum of Rs. 3 crores represents the first instalment of the write off of the trading losses expected on the disposal of the existing rice stocks. As I stated earlier, Government will be having a stock of about 1·5 million tons of foodgrains, mostly rice, representing partly stocks taken over from the States following decontrol last July and partly imports from Burma under the agreement with the Burma Government. In view of the recent fall in prices, the disposal of this stock, which will take two or three years to effect, is likely to result in substantial losses, which at present prices may be of the order of Rs. 45 crores, although it is not possible to estimate their extent accurately. These losses differ from the food subsidies given in the post-war year which were a part of price control and rationing. They are straight trading losses arising from the peculiar conditions of the current year when, with a good crop and because of decontrol, we are having to carry large stocks liable to early deterioration in storage. With an improvement in food position, large losses of this nature are not likely in future. It will completely distort the Revenue Budget if all the losses are taken to Revenue as they arise. I consider it both desirable and necessary to spread them over Revenue over a reasonable period. Pending the emergence of the final figure of the loss, I have made an *ad hoc* provision of Rs. 3 crores in the Revenue Budget for meeting the losses. A provision of Rs. 1·34 crores has also been made, in accordance with the arrangement I explained last year, for the first instalment of the write back to Revenue of certain expenditure initially taken to Capital. The total expenditure this year on the four items covered by that arrangement, namely, Grants for Industrial Housing, Grants for Local Works, Grants under the Gadgil Committee Report, and compensation to displaced persons met by Government, is expected to amount to Rs. 19·36 crores, which will have to be written back to Revenue over 15 years commencing with next year. In addition, we have, in consultation with the Comptroller and Auditor General, decided to treat in the same manner grants to States for the Rural Water Supply and Sanitation Schemes which are of the same nature. These schemes have been started this year and the expenditure in the first year is estimated at Rs. 81 lakhs. All this expenditure is to be written back to Revenue over a period of 15 years and the debit to Revenue next year will, as stated earlier amount to Rs. 1·34 crores. Among the other increases are Rs. 1·55 crores for payments to States of their share of Union Excise Duties consequential to the increase in Revenue from Tobacco Excise adopted for next year, Rs. 1·46 crores for Expansion of Administrative and Development Services in the North East Frontier and Rs. 1·27 crores for Civil Works.

For Capital Outlay the current year's budget provided for an expenditure of Rs. 145·75 crores. The expenditure is now estimated at Rs. 178·54 crores. The increase is accounted for by a worsening of Rs. 61·59 crores under Government Trading Schemes largely due to purchase of rice stocks from the State

Governments, offset by saving of Rs. 28:80 crores in other items. A provision of Rs. 10 crores was made in the budget for possible purchase of shares in the Hindustan Steel Ltd., but this provision will now remain unutilised during this year. There is a saving of about Rs. 7 crores under Civil Works mainly due to slower progress in the construction of buildings and roads. For similar reasons, there is a saving of Rs. 4 crores in the Grants for Industrial Housing and of about Rs. 4·7 crores in Defence Capital Outlay.

For next year, Capital Expenditure is estimated at Rs. 233·3 crores including Rs. 29 crores for Government Trading Schemes mostly for our normal imports of wheat for the Central Reserve. As I remarked earlier, outlay in the final year of the Plan will inevitably increase.

For Railways a povision of Rs. 66 crores has been made against the current year's expenditure of Rs. 32½ crores. The Five Year Plan for Railways provided for an expenditure of Rs. 400 crores during the Plan period, of which Railways were to find Rs. 320 crores from their own resources. While the total outlay during the quinquennium will be only slightly over the original Plan, there has been a shortfall during the period in the resources raised by the Railways themselves. This explains the larger allotment for Railways next year. Compensation to displaced persons in the form of cash and transfer of Government property and write off of loans is estimated at Rs. 31 crores of which about Rs. 9½ crores will be made from sale proceeds of evacuee property, that is, a net figure of about Rs. 21 crores against the current year's net outlay of Rs. 7½ crores. A provision of Rs. 5 crores has been made for investment in the Hindustan Steel Ltd., in addition to a loan of an equivalent amount. A sum of Rs. 7·7 crores will be payable to the Reserve Bank of India next year in lieu of Hyderabad securities forming part of the assets against Hyderabad note issue which has been taken over by the Bank. As part of the settlement for the allocation of assets and liabilities of the Hyderabad State, following its financial integration, it has been decided that this liability for Hyderabad securities which were created *ad hoc* by the State Government before integration for expansion of its currency will be taken over by the Government of India. Provision for Civil Works amounts to Rs. 32 crores against Rs. 24 crores this year, after excluding the adjustment in respect of Government property transferred to displaced persons as part of the compensation scheme. Capital Outlay on Defence, next year is estimated at Rs. 22·38 crores against Rs. 13·09 crores, the increase being due partly to the carry-forward from the current year and partly to the normal expansion programme.

In addition to the provision for Capital Outlay just mentioned, the estimates include, against the original provision of Rs. 249 crores, Rs. 306 crores this year and Rs. 355 crores next year for loan to State Governments and others mostly for their development projects. Details of these loans are given in the Explanatory Memorandum.

The current year's budget provided for an overall deficit of Rs. 239 crores to be met by expansion of Treasury Bills. On the basis of the Revised Estimates, the overall deficit will amount to Rs. 208 crores. As the opening balance was about Rs. 12 crores less than the minimum of Rs. 50 crores which it is necessary to maintain, the expanion of Treasury Bills will, therefore, amount to Rs. 220 crores.

During the year Government floated the 3½ per cent. National Plan Loan, 1964. The response to this Loan, which was a combined loan to cover the needs of both the Central Government and the States, was satisfactory and subscriptions amounted to Rs. 158 crores out of which Rs. 25½ crores were lent to the States which would

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otherwise have approached the market independently for their loans. The Small Savings Scheme has also been making notable progress. Appointment of Agents under the General Authorised Agency System has been proceeding steadily. With the co-operation of the State Government, steps are being taken to intensify the movement in rural areas. Panchayats and other Agencies, such as Union Board Presidents in West Bengal, have already been appointed for the sale of certificates in a number of States, and extension of such Rural Agency System to other States also is in hand. The Women's Savings Campaign under the Central Advisory Committee, which has recently been expanded, has also been making valuable contribution to the movement not only in actual collections but in spreading its message. Over 100 voluntary social and women's organisations have already been appointed agents for the sale of certificates and over Rs. one crore have been collected under the Campaign. During the year, Government made two additions to the investment available under the scheme. The first was the 10-Year National Plan Certificates. These certificates are intended for the small saver, particularly in rural areas, and give higher yield than the National Savings Certificates. Although issued originally as a supplement to the National Plan Loan, their sale has been continued. The second addition was the 15-Year Annuity Certificates which are intended to meet the need of those who wish to provide for themselves and their dependents a regular monthly payment from a lump sum investment. As a result of all these efforts, we are likely, for the first time, to exceed the annual target of Rs. 45 crores which was set some years ago for collections from Small Savings. While this is heartening, I must appeal for still greater effort and for whole hearted co-operation on the part of every one in spreading the movement and making, through it, a massive contribution towards the country's development and prosperity. Mobilisation of small savings, necessary at all times to the country's economy, has now assumed added importance for the fulfilment of the development plans which will need increasingly larger resources.

The improvement in loan receipts and small savings was, however, partly offset by increases in capital expenditure and in loans by the Central Government and also by a drop of Rs. 23 crores in foreign aid expected during the year, the last representing a carryover to the next year.

The overall deficit next year is estimated at about Rs. 340 crores. This follows the larger provision for development expenditure in the Revenue and Capital Budgets. During the coming year one loan, the 2½ per cent. Loan 1955, with an outstanding balance of Rs. 60 crores, falls due for repayment, while Government have the option to repay another, the 4-1/2 per cent. Loan 1955—60, with an outstanding balance of Rs. 9 crores. It has been assumed that both these loans will be discharged next year. Credit has also been taken for a new market loan of Rs. 125 crores. Small Savings next year may amuont to Rs. 52 crores and foreign aid to Rs. 74 crores. Allowing for other miscellaneous transactions under Debt and Remittances Head, it will be necessary to expand Treasury Bills by Rs. 340 crores to cover the overall deficit.

I might summarise the ways and means position for the coming year. Government need Rs. 30 crores for meeting the Revenue deficit, Rs. 578 crores for financing Capital Outlay and loan requirements for State Governments and others, and Rs. 69 crores for the repayment of the maturing debt. Against this, they hope to raise Rs. 125 crores from the market loan, and Rs. 52 crores from Small Savings. Foreign aid expected next year amounts to Rs. 74 crores, and other miscellaneous debt and remittance transactions may bring in Rs. 86 crores. This will leave a gap of about Rs. 340 crores in the available resources to balance the budget. As the cash balance will have no margin left to be drawn upon, the whole of this gap will have to be met by issue of Treasury Bills.

The sizeable budgetary deficit in the current year and in the next must be viewed in the context of our developmental needs and the various economic indicators like production, prices, employment and foreign exchange. All these, I think, suggest that we can and should go ahead more boldly. The production potential of the economy is steadily increasing as a result of the Plan, and considering the present price and employment situation, I am confident that while no effort should be spared in maximising our resources, budgetary deficits of this order carry no threat of serious inflationary pressures. Nevertheless, the House may rest assured that the situation will be watched constantly and carefully, and while Government will take the risk necessarily attaching to any significant development effort, it will be a calculated risk combined with caution.

6 P.M.

I now turn to the budget proposals for the coming year.

I mentioned earlier that the deficit on revenue account in the coming year was estimated at Rs. 30·17 crores and the overall deficit at Rs. 340 crores. The problem before me is how much of this deficit should be covered by additional taxation.

The deficit on revenue account is largely due to increased expenditure on what I would broadly describe as on current account. It is, I think, a prudent principle to meet as much of the current expenditure as possible from current taxation. Other considerations, to which I shall refer later, also indicate the need for increased taxation. Out of the deficit on revenue account, I propose to meet the major portion by fresh and additional taxation. Even with this the uncovered overall deficit would remain substantial but, as I stated earlier in my speech, in the present economic climate, a deficit of that order is, in my opinion, both safe and justified.

Hon. Members may ask why, if a sizeable overall deficit was justified by the needs of the Plan and by the present economic conditions, the whole of the deficit should not be left uncovered. The fact that the various economic indicators suggest that deficit financing could be resorted to without undue risk does not mean that the attempt to mobilise domestic resources to the maximum extent should be given up and prudent finance replaced by the printing press. While deficit financing would be used as an instrument for securing the maximum development without injury to the stability of the economy, the public must be prepared to make the maximum contribution to current revenues. In fixing the level of taxation, all relevant considerations such as the effect of the various increases on the economy, saving investment and production will, obviously, be taken into account.

Before I go on to deal with the detailed proposals, I should like to make a brief reference to the report of the Taxation Enquiry Commission. As Hon'ble Members are aware, the Commission were appointed early in 1953. They completed their work towards the end of last year, that is, within the time allotted and their report reached Government early last December. It is a massive and historic document covering the entire field of taxation—Central, State and Local—and the recommendations cover a very extensive field. The report has just been printed up and copies, together with a summary, are being made available to hon. Members along with the budget papers. Simultaneously, it is also being released to the public. I am sure the House will join me in paying a tribute to the Chairman and Members of the Commission for the magnificent work done by them. The report of the Commission

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bears the impress of a thorough and careful study of the problems in all their aspects and the labour involved must have been stupendous. I am grateful to the Commission for having submitted the report in time to enable me to take into account the broad framework of their proposals for my present purposes.

I said just now that the report was massive and historic. A report like this requires very careful study and examination for which, as the House will appreciate, there has not been much time. Indeed, as the printing has only been just completed, there has not been time even to make it available to the State Governments. All that we have been able to do is to make a preliminary study of it in the Finance Ministry for our own guidance in the context of the budget that was immediately ahead and to circulate confidentially to the State Governments a summary of the recommendations in the fields of State and Local taxation to enable them to take these into account in framing their own budgets. Now that the report has been printed and published, it will be possible to take in hand the detailed consideration of all the recommendations, both at the Centre and in the States.

The House will appreciate that in the limited time available to me it will not be possible to summarise the Commission's recommendations in the field of Central taxation. Indeed, any such attempt, even if it were possible, would not be fair to the report as the background against which these recommendations have been made will not be clear. Broadly speaking, however, the recommendations are in the direction of widening the base and range of taxation, both direct and indirect, and involve readjustment of the rate structure.

The recommendations of the Commission cover the basis and procedure and the rates and rate structure of Central taxation. Insofar as the basis and procedure of taxation are concerned, effect can be given only by changing the law. As my detailed proposals will indicate, I am implementing a number of the recommendations immediately. The House will appreciate, however there are several limitations to my giving effect to all the recommendations of the Commission in the present budget. Firstly, in the case of many of these recommendations detailed study and further thought are necessary before we can take decisions. It has not been possible within the short time at my disposal to complete this process. Secondly, there is the very important problem of gearing the administration to take on the new and additional responsiblities. And finally, procedural changes which do not impinge directly on the tax liability are appropriately left out of the Finance Bill to be implemented through amending bills to the various Acts. I hope the House will agree that, in spite of these limitations, the number of recommendations being given effect to is not inconsiderable and it may have my assurance that the remaining proposals will be examined by Government and amending bills placed before the House as early as possible.

Coming now to the rates of taxation, one has to bear in mind that the rates suggested or implied by the Commission are more an indication of the possibilities in these directions than in the nature of actual budget proposals. The House will remember that the first Taxation Enquiry Committee was appointed some thirty years ago and, in a sense, that Committee's recommendations affected the taxation policy of a generation, although the events of that generation were crowded by many constitutional and other changes. Similarly, the present Commission's report will deeply colour and affect taxation policy for some time to come. The lines of future policy have been indicated by the Commission but the steps that we take each year or from time to time must necessarily be considered in the light of economic and budgetary considerations of the time.

I shall first deal with my proposals about Customs duties.

In accordance with Government's general policy of gradually replacing, wherever possible, at least partly quantitative restrictions by higher import duties, a number of import duties on goods such as articles made of paper, papier mache, etc., advertising circulars and cutlery not plated with gold or silver, are being raised. Simultaneously, the import quotas will be liberalised. While the effect on revenue will not be considerable, the prices, including the duty, will be high enough to act as a deterrent to any undue expansion of consumption. On some items like zip fasteners and tiles of earthernware and procelain, alternate specific duties are also being prescribed so that low-priced imports may not adversely affect indigenous manufactures.

As part of the changes in the import tariff, I also propose to abolish completely, subject to the margin of preference being maintained wherever this is bound by agreement, duties on dyeing and tanning substances, gums, resins, plumbago and graphite. This is in accordance with Government's general policy of a gradual remission or reduction of duties on essential raw materials.

The export duty on cotton cloth is also being reduced to 6¼ per cent., as a measure of assistance towards the maintenance of our competitive position in world markets.

These changes, which I am sure the House will welcome, will result in a loss of approximately half a crore of rupees and will be given effect to by a notification under Section 23 of the Sea Customs Act which is being issued today.

A slab system is also being prescribed for export duties on tea in lieu of the existing flat rates. A specific rate tends to become onerous in a period of falling prices; on the other hand when, as now, prices are rising the incidence of the tax in terms of value becomes progressively lighter with a flat rate. On account of the numerous qualities of tea and because such teas are often sent for sale in auction in the United Kingdom and the price at the time of the export is not ascertainable beyond reasonable doubt, it has not been possible to devise a system of *ad valorem* assessment. As a compromise, certain slab rates varying with the value have been prescribed in the present Bill. This will not result in any change in the revenue yield at present prices.

The effect of these changes will be a loss of, as I said, Rs. 50 lakhs in revenue.

Turning to excises I shall first deal with the changes in the existing duties. My first proposal is to raise the existing excise duty of Rs. 3/12/- per cwt. on sugar to Rs. 5/10/- per cwt. The Taxation Enquiry Commission consider that there is a case for a substantial enhancement of duty. Consumption of crystal sugar has expanded considerably in the last year or two and large quantities have had to be imported at considerable expenditure of foreign exchange. The increase in duty may also have the effect of discouraging consumption to some extent. The additional revenue is estimated at Rs. 5 crores.

My second proposal is with regard to the duties on cotton cloth. I propose to rationalise the existing classification and make a readjustment of the duties. At present, cotton cloth has been graded for purposes of the duty into four categories—superfine, fine, medium and coarse. This classification, as a basis for tax differentiation and as indicating the broad sections of the community using the cloth, has become somewhat unrealistic. I propose to reclassify cloth into two categories,—superfine and others. The rate of duty on superfine cloth will be at two annas six pies per square yard and that on other cloth one anna per square yard. The special cess of three pies per yard for the develop-

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ment of the handloom industry will be levied in addition.

These proposals involve an increase equivalent to about three pies a linear yard on superfine cloth and six-pies a linear yard on medium and coarse cloth. The total production of superfine cloth is not substantial in relation to the production of other categories. The Taxation Enquiry Commission have expressed the view that there was a case for enhancement of the rate of duties on all varieties of cloth. In making these adjustments, account has also to be taken of the need for additional revenue. Taking all factors into consideration, I do not think the increase involved can be considered as unreasonable.

The change in the unit for duty from linear yard to square yard is designed to secure a more equitable basis. In determining the category for purposes of assessment, the average count of yarn will, in future, be the basis and not the count of the warp yarn only as heretofore. I trust the House will agree that this rationalisation is in the right direction.

The additional revenue from these adjustments will amount to Rs. 9 crores.

My third proposal relates to matches. In pursuance of Government's policy of fostering the development of small-scale industries, I propose to increase the existing preference margin for the medium-sized and cottage groups of match factories. The present margin in respect of match boxes of 40s for medium-sized factories is one anna per gross of boxes. This is being raised to two annas per gross of boxes. Suitable increases are being made in the margins in respect of other categories. These concessions will result in a loss of revenue of Rs. 50 lakhs of which the States' share will be Rs. 20 lakhs.

My fourth proposal is in respect of cigarettes. In 1951, a temporary surcharge of 3 pies and 6 pies per ten cigarettes according to their retail price was imposed. The Taxation Enquiry Commission have recommended that these surcharges should be removed from the category of cigarettes of the valuee of Rs. 10 to Rs. 15 per thousand which appeared to them to be relatively over-taxed and that the revenue loss this would involve should be recouped by a suitable increase in the duty on the category of cigarettes of the value of Rs. 40 to Rs. 50 per thousand. They have also recommended that along with this readjustment, the surcharge on categories other than the Rs. 10 to Rs. 15 per thousand category should be merged with the basic excise duty. These recommendations are being accepted with certain consequential modifications and necessary changes made. These taken together have no revenue significance.

I now turn to the new excises. The Taxation Enquiry Commission have recommended the imposition of a large number of new excise duties. I feel myself that an expansion of revenue from excises is, in the context of our requirements and also in the pattern of industrial development in the country, inescapable and that we shall increasingly have to look to the products of organised industries in the country which have grown up under the shadow of protection, both for bringing in additional revenues and replacing the loss of customs resulting from the replacement of imported manufactured goods by indigenous production. I propose to make a beginning with a number of these new exercises in the coming year the collection of which is unlikely to involve any major administrative problem. These excises would be on the production of factories and the rate of duty will be 10 per cent. *ad valorem*.

The commodities proposed are Woollen Fabrics, Sewing Machines, Electric Fans, Electric lighting bulbs, Electric dry and storage batteries, Paper (excluding Newsprint) and

Paperboard, and Paints and Varnishes. The total estimated revenue from all these excises will be Rs. 4 crores.

In order to maintain the existing margin between import and excise duties, a countervailing import duty at the same rate as excise duty will be levied on the imports of these commodities, where necessary.

The net additional revenue from the changes in excise duties will amount to Rs. 17·7 crores.

I now come to changes in direct taxation.

Among the large number of the Taxation Enquiry Commission's recommendations, some deal with the broad structure of taxation and others with matters of detail, such as the inclusion or exclusion of certain categories of income from taxation, grant of incentives and other concessions and so on. So far as the basic structure of personal taxation is concerned they have suggested a graded diversification of the existing slabs, particularly in the slabs of super-tax and the readjustment of rates within these slabs. They have also recommended the withdrawal of the concession relating to earned income beyond a certain reach which, they have suggested, should be Rs. 24,000. In the case of super-tax they have also suggested a lowering of the limit at which super-tax is attracted from Rs. 25,000 to Rs. 20,000. The broad pattern of adjustments suggested by the Commission has been accepted by Government and the proposals which I shall just explain seek to implement the scheme with such modifications as have been found necessary and desirable. As I mentioned earlier, the current year's proposals do not by any means cover all the recommendations of the Commission, but only such of them as have been found immediately practicable and feasible.

I shall first deal with changes in the tax structure.

In accordance with the recommendations of the Commission, the present tax exempt slab of Rs. 1,500 is being raised to Rs. 2,000 for married persons and reduced at Rs. 1,000 for unmarried persons. This is the first move in the direction of evolving a suitable scheme of family allowances which the Commission have suggested for implementation. The net loss of revenue is estimated at Rs. 90 lakhs.

The existing slab of Rs. 5,000 to Rs. 10,000 is being broken into two slabs; on the slab of Rs. 7,500 to Rs. 10,000 the tax is being raised by six pies from one anna nine pies to two annas three pies. This is expected to yield a revenue of Rs. 1·35 crores.

In the next slab of income from Rs. 10,000 to Rs. 15,000, the rate is being raised from three annas to three annas three pies. This is expected to bring an additional revenue of Rs. 85 lakhs.

I accept in principle the recommendation of the Commission that earned income relief should not be allowed on higher brackets of income. As a first step I propose to reduce the allowance by stages on incomes in excess of Rs. 25,000, the concession ceasing when the level of Rs. 45,000 is reached. Between Rs. 25,000 and Rs. 45,000 the relief of Rs. 4,000 now allowed will be reduced by Rs. 200 for each Rs. 1,000 of income. The additional revenue is estimated at Rs. 1·9 crores.

In regard to super-tax, the existing slabs have been readjuster and the level at which super-tax is attracted reduced from Rs. 25,000 to Rs. 20,000. The readjustment generally follows the pattern suggested by the Commission, but some adjustments have been made in the rates and slabs. The changes in the super-tax are estimated to yield an additional revenue of Rs. 5·75 crores.

I should like to mention two other changes which are being made in the structure of taxation. The first is an increase in the limit of the rebate allowed for payment of premia on life

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insurance policies and subscriptions to recognised provident funds. In accordance with the Commission's recommendations, the existing limit of one-sixth of income subject to a ceiling of Rs. 6,000 is being raised to one-fifth of income with a ceiling of Rs. 8,000. Corresponding increases are being made for Hindu Undivided Families. This concession is designed to provide an incentive to savings and will cost the exchequer Rs. 25 lakhs. The second is a concession in favour of Hindu Undivided Families consisting of four members or more entitled to claim partition. Such families will be exempted from tax so long as their income does not exceed three times the exemption limit of Rs. 4,200 allowed to individuals. For such families the exemption limit for the payment of surcharge on income-tax is being raised from Rs. 14,400 to Rs. 21,600. It has not been possible to calculate the financial effect of these concessions but the amount involved is not likely to be substantial.

The Commission have made an interesting suggestion for imposing a surcharge-*cum*-deposit on incomes of over Rs. 25,000. As the Commission themselves recognise, this scheme requires further examination in the Finance Ministry. Meanwhile, I propose to continue the existing surcharge of 5 per cent. on income-tax and super-tax.

In the last few years, there has been a demand for an increase in the amount of depreciation allowances so as to take into account increased costs of replacement. The Commission have examined this matter in considerable detail and have come to the conclusion that the principle of revalorisation or continuous revaluation of an asset for purposes of depreciation is not merely defective in theory but certainly unworkable in practice. Instead, they have suggested that while the existing system of initial and double depreciation allowances may be retained with certain modifications for all industries certain other new industries might be given a 'development rebate' equivalent to 25 per cent. of the cost of new fixed assets in the year of installation. For certain special industries of national importance, they have suggested a tax holiday for six years. These proposals require further detailed consideration. Meanwhile, I propose to allow a Development Rebate of 25 per cent. of the cost of all new plant and machinery installed for business purposes instead of the present initial depreciation allowance of 20 per cent. For purposes of calculating ordinary and double depreciation allowances, this rebate will not be taken into account.

Another important change proposed is that losses of business should be allowed to be carried forward indefinitely instead of only for six years as at present.

A number of other changes affecting the tax liability are being included in the amendments to the Income-Tax Act embodied in the Finance Bill for the coming year in accordance with the recommendations of the Taxation Enquiry Commission. I do not propose to weary the House by explaining all of them in detail. Some of these involve bringing into the net certain incomes which were not being taxed. Others give concessions recommended by the Commission. I would like to mention the more important among the former. The value of any requisite or benefit, whether convertible into money or not received by salary earners drawing over Rs. 18,000 per annum and by directors of companies, and entertainment allowances of all kinds are being made subject to tax. Unclaimed balances out of expenses allowed as deduction, compensation received for loss of managing agency or other agencies and compensation received for termination of employment are similarly being made subject to tax. The provisions of Section 23-A are being tightened and a flat rate of super-tax of four annas in the rupee is being imposed on the undistributed profits of the company if 60 per cent. of its profits have not been distributed. Certain further concessions are being given to co-operative societies, but co-operative insurance societies are being made subject to tax. These and other changes are more in the direction of rationalising the income-tax structure and the cumulative financial effect is not expected to be appreciable.

The net effect of all these changes in income-tax is an increase in revenue of Rs. 8·7 crores, of which the States' share will amount to Rs. 4·2 crores.

The net effect of the proposals may now be summarised. The changes in customs duties will involve a loss of revenue of Rs. 50 lakhs and the changes in match excise a loss of the same amount, of which Rs. 20 lakhs will be passed on to the States. The new and increased excise duties will bring in a sum of Rs. 18 crores. Changes in income-tax will yield Rs. 8·7 crores of which the States' share will amount to Rs. 4·2 crores. In the result, central revenues will increase by Rs. 21·7 crores leaving an uncovered deficit on revenue account of Rs. 8·47 crores. Including the additional taxation, the overall deficit for the year will stand at Rs. 318 crores.

This is the last budget of the first five-year plan, and like the budgets of the previous years, it has been framed with the main purpose of securing the orderly implementation of the Plan. I do not propose, in this context, to review the progress of the Plan. The House had an opportunity during the last session of a detailed discussion of the progress and I have no doubt there will be further occasions for a similar discussion. But I think that the end of this period which is in sight is an opportunity for a measure of stock-taking. The first plan was formulated under different circumstances with inflation, shortages and the like clouding the economy. The formulation of a plan was in itself a breaking of new ground, covering as it did a large part of the national life. The aim was to make a good enough beginning, and, looking back over the four years, I venture to suggest that this has been done with some success. The first plan itself only touched the fringe of the problem of national development. Many more such plans will have to follow. The Central and the State Governments are now fully seized of the importance of fulfilling the first plan to the fullest extent possible. The machinery of administration is being increasingly geared to the more effective implementation of the Plan, although there is still considerable room for improvement. While there have been shortfalls in achieving the targets, considering the size of the plan and the inevitable margin which has to be allowed for in any human planning, these have not been such as to discourage us. The country as a whole is becoming more and more plan-minded, and in the rural areas there is an awakening of interest in economic development which is noticeable even to a casual observer. The achievements of the first plan in terms of irrigation and power, industrial development and the community and the national extension programmes have been by no means inconsiderable. The second plan must provide for more accelerated development consistent with the stability of our economy and our declared policy of adherence to democratic methods. A great deal of new statistical information has now become available as a result of the publication of the Census Reports, the National Income Committee's Reports, the Reports of the National Sample Surveys and the Report of the Rural Credit Survey. In the last few months, considerable preparatory work has been done on statistical and technical aspects of the problem of formulating a comprehensive plan. I hope it will be possible to issue in the near future a plan-frame which will

[Shri C. D. Deshmukh]

set forth tentative inter-related targets, with due regard to the central objectives of the plan and the availability of resources.

The success of the second five-year plan will, in my view, depend upon two main factors, organisation and finance. In an economy in which monetary rewards are the principal device for directing real resources along desired lines, the availability of finance is a crucial consideration. But finance is, in a sense, a token. It can, if one likes, be created up to a point and within limits laid down by the need for combing stability with quick but orderly progress. It is not and can never be a question of formulating physical targets and leaving financial considerations aside. Both have to be correlated and the maximum amount of resources currently raised for investment and production. It is because the raising of the maximum resources is necessary for planned development that I make the large draft which I have made today on the tax payers' purse. There is the further justification for it, namely, that unless this is done, the objective of a welfare State enshrined in the Constitution will never be attained.

I mentioned earlier that the country as a whole was getting increasingly plan-minded. All over the country people of small means are making a contribution towards the plan by the offer of their resources and sometimes their labour. I myself have been receiving from small people, sometimes students who wish to remain anonymous, small contributions towards the Plan. It is to me personally a sustaining and heartening experience and if the spirit behind this continues to animate the people as a whole, we can look forward with confidence to the successful implementation of this and of future plans.

FINANCE BILL

The Minister of Finance (Shri C. D. Deshmukh): I beg to move for leave to introduce a Bill to give effect to the financial proposals of the Central Government for the financial year 1955-56.

Mr. Speaker: The question is:

> "That leave be granted to introduce a Bill to give effect to the financial proposals of the Central Government for the financial year 1955-56."

The motion was adopted.

Shri C. D. Deshmukh: I introduce* the Bill.

The Lok Sabha then adjourned till Eleven of the Clock on Tuesday, the 1st March, 1955.